

The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, JULY 7, 1933

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JUL 7 1933

CAN THIS BE TRUE?

A recent survey by the editor of a life insurance journal disclosed many pertinent facts about up-to-date life insurance, some of which were not altogether pleasant or altogether satisfactory, but all of which were interesting because they reflected lay opinion freely and frankly expressed.

A contractor who was interviewed said that the average salesman who tries to sell him life insurance "doesn't know enough about it. He seeks to make a sale, rather than fit life insurance to the prospect's needs; so he doesn't get to first base."

If this statement is true, it constitutes a serious arraignment of life insurance solicitors. Is it possible that agents think more of *selling* life insurance than they do of *prescribing* it? Every man has needs for life insurance. These needs differ. It is the business of the agent to diagnose such needs after carefully studying the "history" and probable future needs of each case, and to prescribe the policy which will best satisfy them.

Northwestern agents are taught to do just exactly that thing in a professional way, and the Company aims to license and retain in its employ only such agents as have a thorough understanding of life insurance.

The mission of the life insurance agent in the affairs of modern men is primarily to be an adviser and, incidentally, a salesman. If he thinks of his profession in the form of dollars and cents as paramount to service, he is doomed to failure.

**THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY**

Milwaukee, Wisconsin



**Clarence Perry,
young and unmarried,
earns \$100 a month . . .**

SHOULD HIS LIFE BE INSURED?

The Equitable Case Method works out an interesting answer

WHAT need for life insurance has a young unmarried man?

An answer is found in the plan developed by the Case Method for Clarence Perry, whose situation is typical of that of many young men. Perry earns \$100 a month. He helps at home by paying board and would have to support his mother if his father died.

THE ANALYSIS

In talking over the problem with an Equitable man, Perry agreed he could save \$120 a year. He was advised that with this amount he could secure \$5000 of insurance—a guaranteed protection for his mother now and his wife and children later on, should he marry.

The advantage of this policy, it was further explained, lay in the fact that it provided for a steady income of \$25 a month to Perry in the event of total and permanent disability; a payment of \$10,000 to his dependents if his death results from an accident; and an annually increasing cash value plus any accumulated dividends for his use in old age.

Let an Equitable agent apply the Case Method to your financial problem

You have your own problems, your plans and ambitions for family and self. An Equitable representative, thoroughly experienced in this company's Case Method, will study your needs and give you information on a life insurance program "custom made" to fit.

It is clear that this individualized method assures more effective results than would any broadly general or blanket way, one that is likely to cost you less too.

We suggest that you post yourself on the Case Method by reading some of the helpful, interesting literature prepared by the Equitable.

THE EQUITABLE
FAIR - JUST
LIFE ASSURANCE
SECURITY - PEACE OF MIND
SOCIETY
MUTUAL - COOPERATIVE
OF THE U.S.
NATION-WIDE SERVICE



Advertising the **EQUITABLE CASE METHOD**

For several years the "Case Method" has been used in the educational training courses of The Equitable. By means of it, Equitable Agents have been taught to analyze a man's need for life insurance, and to fit the policies to his specific requirements.

The EQUITABLE "CASE METHOD" of life insurance planning is now being brought before the public in a series of advertisements in national magazines and weeklies. It is hoped thereby to acquaint the public with the value of a careful study of the individual's needs before a particular type of policy is recommended. The advertising is also designed to call attention to the fact that Equitable Agents are especially trained to render such a service.

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

Thomas I. Parkinson, President

393 Seventh Ave., New York, N. Y.

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Seventh Year—No. 27

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JULY 7, 1933

\$3.00 Per Year, 15 Cents a Copy

Expect 20 to Lift Annuity Tariff

Some May Not Use Uniform Scale of Equitable, Metropolitan, Etc.

FEW ARE ON THE FENCE

Those With Lower Rates Fear Selection Against Them and Are Watching Developments

NEW YORK, July 6.—While it is expected that the total of companies announcing annuity rate increases will be close to 20, it is likely that a number of them will not raise their rates to the uniform scale which has just become effective for the Equitable, Metropolitan, Mutual Life of New York, New York Life, and Prudential.

Some companies have informed their agents that they will raise rates as of Aug. 1. Among these are the Aetna Life, Connecticut General, Connecticut Mutual, and Penn Mutual. Others have been less definite about the time but have indicated that there will be changes in the near future.

A few companies have for some time had rates which are approximately as high as those now being put into force, or which have recently been raised to a point considered adequate. The Travelers, for example, effected general annuity rate changes in September, 1932, and the company does not plan to increase these at this time. It is understood that when the new rates of the Aetna and Connecticut General are put in effect the three Hartford stock companies will be on the same rate level as regards annuities.

Phoenix Mutual's Plans

The Phoenix Mutual Life, which does a large annuity business, expects to increase its rates in the near future, despite general increases in February, 1932. It is also understood that the National Life of Vermont will increase rates, although no effective date has been mentioned.

The Berkshire Life and the Provident Mutual have indicated that they are not contemplating any change. Several companies are still "on the fence," waiting to see what happens as a result of changes on the part of other companies. Some of these write a small amount of annuity business and are satisfied with the experience they are having with present rates. However, if their relatively more favorable position as regards income to the annuitant causes them to be flooded with annuity business, the possibility of adverse selection will undoubtedly cause them to raise rates without delay.

There will undoubtedly be an endeavor on the part of the moderate sized companies to adjust their rates to a point where they will not be so high as to kill annuity business for their agents nor so low as to attract a horde of ap-

Agents Need to Revamp Their Program of Sales

Gradually life insurance agencies are being revamped and reorganized to fit the conditions of the day. It has been a terrific shock for men in the field to have to readjust themselves during this time of stress and storm. The large writers were particularly hit because of the stringent attitude adopted in passing on these cases at head offices. The mortality ran up rapidly and all companies adopted new rules. A most rigid inspection is made of a person applying for a large policy. A man's mental and emotional temperament is examined as far as possible and the psychology is applied in endeavoring to reach some conclusion as to how he will react to certain conditions. The big writers therefore have been hit hard because companies are not anxious for large policies.

They study now the total life insurance carried and compare that with a man's income from his business, from outside investments, etc. His possible future is probed. Managers therefore have seen that they must get away from the so-called big producers or those writing large single policies and build up an agency force of men who are geared to write small policies. An agency naturally in order to keep up its pace must have far more applications to make up as far as possible the deficit in volume due to the far less number of large policies being written. This presents a problem.

Must Close More Cases

An agent, therefore, who is willing to specialize on applications running from \$1,000 to \$10,000 or chiefly from \$1,000 to \$5,000 must see far more people than he has been accustomed to in the past and he must be able to close a larger percentage of the people that he calls on. Hence his education must comprise salesmanship tactics that will enable him to be more convincing in his arguments. Sales resistance must be broken down on these smaller cases. Less time will have to be given to a single prospect. An agent must have far more prospects on his list than he usually has. He must cut time in every way that he can. He will have to see as many people as possible during the day and in his calls he must be able to achieve something.

plicants who are looking for the best possible annuity bargain, and among whom there is likely to be a more than average possibility of selection against the company.

The rate level is more of a consideration to the annuity-buyer than it is to the insurance purchaser, because there is so little difference between annuities. The agent cannot dwell on net costs, special policy forms, promises of service by the agent, or other points that are used to gain favor for his company. The annuitant merely pays his money, receives a check each month for the rest of his life. Choosing between two companies which he considers equally likely to remain solvent, his choice naturally and logically hinges on rate of return.

While the new rate changes will probably eventually result in a considerably greater degree of uniformity than previously prevailed, a surprising number of companies have had identical annuity rates, at least 22 being the same as those which the Equitable Life of

Those who have diagnosed the situation very carefully find that in these small cases it is necessary for an agent to appeal to some specific need of a prospect. The old "fishing expeditions" will have to be discarded. An agent must have some definite information even though meager so when he calls on an applicant he will be able to present a policy that will have a particular appeal to this applicant. He should not use his first call merely to get information to present a plan on a subsequent visit. On his first interview there should be a definite proposal made. Companies fortunately have policies to fit various specific needs. The problem with an agent therefore is to get sufficient information before he makes first calls on these smaller prospects so that he can make a suggestion immediately. On the first call he may get additional information that will enable him to return and make proposals for other specific needs.

Diamond Life Bulletins Plan

The editors of "Diamond Life Bulletins," published by THE NATIONAL UNDERWRITER, recognizing this situation have gotten out in graphic form a device to enable agents to classify these specific needs and chief arguments are made for each of these in tabloid form. This has been tested out by life insurance salesmen and much enthusiasm has been created for it. It promises to be the big thing in life insurance production work of the year. Already agents are using it and getting results that are surprising.

New York used until its new scale became effective this week. These companies include the Aetna Life, Central Life of Illinois, Central Life of Iowa, Columbian National, Columbus Mutual, Connecticut General, John Hancock Mutual, Missouri State, Mutual Life of New York, Mutual Trust Life, National Life of Iowa, National Life of Vermont, New England Mutual Life, New York Life, North American Life of Illinois, Oregon Mutual, Penn Mutual, Pilot Life, Royal Union Life, State Mutual Life, Union Central, and Wisconsin Life.

The territorial source of a company's business may be a factor in the rates it must charge for annuities, as some states have premium taxes on annuities, while others do not. Some years ago the courts ruled that the word "premiums" does not include annuity premiums as far as taxation is concerned, and the law has never been changed. Taxation of annuity reserves is rare, Massachusetts being the only state with such a tax.

Expected Upturn Eases Selection

Underwriters More Liberal on Moderate-sized Risks, Still Rigid on Big Ones

SCAN DOUBLE INDEMNITY

Officials See Good Chance for Financial Condition of Applicants to Improve Soon

NEW YORK, July 6.—The imminence of the long-awaited upturn has enabled underwriting departments to ease up somewhat in their requirements on moderate-sized cases, particularly on the financial side. At the same time there has been a continual tightening of restrictions on big cases. Electrocardiograms and x-rays are being more and more demanded even though the application may not be large enough to make such an examination automatic.

Since their experience in insuring men on the basis of their boom-time incomes, companies have been watching the financial condition of their applicants very carefully, even on applications for modest amounts. The probability of an applicant's continuing to earn the same income has been given much more weight since the onset of the depression. The uncertainty of jobs and of businesses made it necessary to scrutinize the income feature with the possibility in mind of a 100 percent deflation.

Prospect of Improvement

With the improvement in general business conditions that has already taken place and the further upswing that is confidently expected, underwriters feel justified in assuming that an applicant's financial condition will logically get better instead of worse. Investigation is still made, of course, to determine whether this assumption is correct, whether the applicant and the business he is in are likely to benefit in the upturn, but the improvement in the general tone of business makes it possible to decide favorably on many cases that previously had to be left in the doubtful class.

The replacement of large lines because of heavy loans caused a complication in the application of the electrocardiogram and x-ray rules, since the applicant would, of course, hold on to his old insurance until the new was issued. If the case were large enough this might result in a situation which technically called for these special examinations but which was regarded by the agent and the insured as being exempt from the requirement, since the old insurance was to be dropped immediately after the new had been issued.

A couple of months ago the companies decided to enforce the rule lit-
(CONTINUED ON LAST PAGE)

Director of Insurance Now Has Full Sway in Illinois

OFFICE REALLY INDEPENDENT

General Assembly Rights a Bad Piece of Legislation Enacted Under Governor Lowden's Administration

The Illinois legislature, having passed the bill disbanding the department of trade and commerce and creating the department of insurance, puts the latter on the same basis as the other cabinet departments of the state. Governor Horner has appointed Insurance Superintendent Ernest Palmer, director of insurance, he no longer being subordinate to any other department. The department of insurance, in addition to insurance supervision is given charge of the state fire marshal and the small loan people who have to be licensed by the state. The other divisions of the department of trade and commerce have been given to other departments, such as the department of agriculture, finance, etc. This, therefore, places the department of insurance on an independent basis and removes it from subordination to the director of trade and commerce.

Palmer Been Acting Director

Mr. Palmer in addition to being insurance superintendent has been acting director of trade and commerce, Governor Horner hoping that the passage of the bill would obviate the necessity for any regular appointment of director.

The insurance department was placed under the department of trade and commerce at the time that F. O. Lowden was governor. He desired to bunch a number of different activities in the state under a single head, and notwithstanding the fact that insurance was one of the greatest revenue producers in the state, it being second only to the secretary of state's office, and regardless of its importance, the director of trade and commerce was given supervision over it through a divisional superintendent.

Result Not Satisfactory

The effect was disastrous. The insurance superintendent for the most part lost independent authority and appeals were made frequently to the director of trade and commerce from his decision. This opened the way for all sorts of political influence and chicanery. The insurance superintendent, being shorn of his authority, could not act with courage or freedom because he did not know how his superior officer would regard any decision. Frequently it was not known whether the insurance superintendent or the director of commerce really was given authority by the governor. Some governors seemingly placed plenary power at times with the insurance superintendent and told the director of trade and commerce to keep hands off. Then again the director would assume authority and the insurance superintendent would retire to the shadows.

Department Was Weakened

The scheme was unfortunate in every respect. The Illinois insurance department was weakened and its standing with other states was impaired. It opened the way for the use of undue influence up and down the line. While Governor Lowden had in mind the idea of economy in this respect it was poor economy.

The Illinois Chamber of Commerce through its insurance committee under John H. Camlin, well known local agent of Rockford, Ill., as chairman, undertook a vigorous campaign to have this office righted and the insurance department placed on an independent basis. The Illinois chamber was the first body to come out strongly urging action. It appealed to the candidates for governor last fall and secured their promise to recommend the legislation desired.

Six Month's Figures Reported

(Figures for 1933 are estimated.)

	New Paid Business 1st 6 Months 1933	Inc. or Dec. Inst. in Force 1st 6 Months 1933	1932
American Life, Mich.	\$ 1,371,442	\$ 4,035,669	-\$ 2,916,978
Amicable Life, Tex.	8,376,050	9,486,660	-432,154
Bankers Life, Neb.	4,341,970	5,061,662	-4,961,302
Boston Mutual Life.	12,661,783	16,155,566	-151,730
Buffalo Mutual Life.	1,013,490	597,800	-1,069,000
Columbus Mutual Life.	5,375,406	8,314,645	-5,609,260
Commonwealth Life, Ky.	17,422,906	18,357,107	-1,131,315
Confederation Life, Canada	16,702,384	21,400,119	-8,659,192
Continental Assurance, Ill.	13,692,302	18,079,457	-2,409,366
Empire Life & Accident.	568,691	525,573	235,295
George Washington Life.	1,003,848	1,389,845	-2,094,020
Great American Life, Tex.	2,369,030	1,819,104	-875,139
Great Nat'l. Life, Tex.	770,094	1,402,362	-352,677
Great Northern Life.	2,647,948	2,803,526	-500,000
Guarantee Mutual, Neb.	5,601,119	6,870,307	-9,047,930
Gulf Life, Fla.	2,651,544	2,677,963	774,756
Harsvester Life, Tex.	677,773	1,114,389	-530,677
Imperial Life, N. C.	446,000	357,500	113,148
Ins. Clerks Mut. Benefit.	105,844	55,500	20,054
Life Casualty, Nashville, Tenn.	7,148,234	6,000,477	-616,832
Life of Virginia.	O. 10,455,727	14,370,839	-4,152,829
Life of Virginia.	I. 34,938,819	35,111,031	-1,478,553
Lincoln Liberty, Neb.	3,208,000	2,656,000	-200,000
Manufacturers, Toronto	25,200,000	32,233,588	-7,900,000
Monarch Life, Mass.	1,420,299	2,168,697	131,131
National Life & Accident.	16,410,952	18,052,878	2,142,698
Natl. Guardian Life, Wis.	1,335,322	1,624,084	-1,564,000
North Carolina Mutual Life.	6,552,860	7,280,724	-500,000
Old Republic Credit Life.	203,400	295,200	-1,163,753
Pacific National Life, Utah.	927,750	2,387,700	-1,357,127
Pan-American Life.	8,562,579	13,413,834	-8,414,664
Penn Mutual Life.	69,212,887	91,211,820	-48,547,937
Peoples Life, Washington, D. C.	1,042,800	1,096,500	+42,050
Reserve Loan Life.	8,292,804	8,482,238	-436,632
Security Mutual Life, Neb.	1,200,000	2,231,661	-1,031,561
Union Central Life.	43,267,319	55,376,276	-91,247,378
Western Union Life.	67,384	123,200	27,184
Wisconsin State Fund.	51,500	40,500	24,000
			25,000

Hear Mortgage Moratorium Cases in Nebraska Sept. 18

The supreme court of Nebraska has set for final hearing at its session beginning Sept. 18 the two cases involving the validity of the mortgage moratorium law, which suspends foreclosures of real estate mortgages until March 1, 1935. The court is welcoming printed arguments from any and all parties interested in the question, and several insurance company attorneys have filed briefs. The dispute has largely been narrowed down to the question of whether the emergency existing at the time of its enactment was of the same serious character as would justify declaration of martial law when public order was menaced.

Not a Trust Deposit

Funds held by Michigan banks under an agreement to receive monthly deposits out of which life insurance premiums were to be paid are not construed as trust deposits and consequently cannot be given preferred treatment in the case of closed banks, Circuit Judge Campbell has ruled in a case in Detroit. Dr. J. P. Pratt, a physician, attempted to have a \$1,000 insurance premium deposit in the Michigan Industrial Bank declared a preferred claim. Judge Campbell ruled that the insurance premium deposits were placed by the bank in its general fund and were not earmarked as belonging to a special account. He stated in his decision that there were 1,080 accounts similar to that of Dr. Pratt in that particular bank.

New W. Va. Ruling

Commissioner Sims of West Virginia has issued new moratorium rules for his state, following exactly the model as recommended by the National Convention of Insurance Commissioners at Chicago.

Therefore Governor Horner had the backing of a powerful state business body. The Illinois chamber deserves great credit for sponsoring a cause that will give policyholders far greater protection than they have and will place the insurance superintendent on a basis where he should be.

Constructive Laws Passed by the Illinois Legislature

MAKE SEPARATE DEPARTMENT

Life Men Win Fight for Strong Anti-Twist, Anti-Rebate Act—Regulate Investments

Superintendent Palmer of Illinois scored almost 100 percent in his ambitious legislative program presented the legislature. Out of some 20 bills which he recommended, it is reported, only one, the strict life and accident and health agents' qualification measure, failed to pass.

His important measure to give the department much greater power over investments made by insurance companies was adopted. Another vital change approved by the legislature was abolition of the department of trade and commerce, to which the insurance department for many years has been merely an adjunct without power, and creation of a director of insurance.

To Recodify Insurance Laws

Another important step was taken with passage of a bill calling for recodification of all the insurance laws by a committee of five legislators. This committee was not named before the legislature adjourned last week, but will be announced within ten days.

Although for many years insurance company stocks have been exempted from operations of the "blue sky" law, the legislature this year adopted an amendment including such securities.

A number of less important bills were caught in the last minute rush and stricken from the calendar because they had not progressed beyond second reading.

Anti-Twist Law Signed

The anti-twist and anti-rebate bill which insurance men have sought for many years was adopted and was signed last week by the governor. It is reported that with that act it went into effect. It provides for heavy penalties against agents who wilfully misrepresent by false comparisons, statements, etc., thereby inducing policyholders to change their insurance, and also for offering any inducements to take a policy, such as rebate of part or all of the premium or other consideration.

The bill permitting domestic stock companies to mutualize was passed. However, two bills which life men throughout the state were very anxious to have adopted, permitting companies to add an aviation rider excluding liability arising from air travel, and exempting life and endowment insurance from the claims of creditors were lost.

Sun Life's Detractor Must Serve Time in Penitentiary

J. J. Harpell of Montreal, the well known Gardenvale publisher, who ran a series of articles in the "Journal of Commerce" of his city against the Sun Life and President T. B. Macaulay, must serve three months in jail, the court of appeals unanimously holding his petition for appeal. As the judgment is unanimous no further appeal can be made. Mr. Harpell published a series of articles attacking the Sun Life very viciously and charged President Macaulay with using his position for his own benefit to the detriment of policyholders. He has been entirely discredited in his campaign of slime slinging.

Announce Pasadena Appointment

The Great Republic Life has appointed R. A. Harrison and Matt Kimball as general agents at Pasadena, Cal., as Harrison & Kimball.

Greenfield Interests May Get Back Kentucky Home

NEW COMPANY NOW LISTLESS

Rumor in Louisville Credits Philadelphia People With Effort to Regain the Control

LOUISVILLE, July 6.—A rumor has been discussed in local circles to the effect that the Albert Greenfield interests of Philadelphia may again come into control of the Kentucky Home Life, successor to the former Inter Southern Life which was taken over last fall by the newly formed Kentucky Home, in which the Greenfield interests held control, until late in 1932, when they sold their interest in that company to the Cohen-Barnes interests, of New York.

Cohen-Barnes Backing

The latter syndicate was alleged to have been backed financially by the Missouri State Life which was interested in tying up a large block of Missouri State Life stock held by Inter Southern. The Continental Bank & Trust Co., of New York also made loans to the Cohen-Barnes interests, in completing the deal for purchase of the Greenfield interests in Kentucky Home Life.

The business has been carried on in an indifferent sort of way, with no real effort shown to build up an agency organization.

Commissioner McClain Runs Afoul of Indiana Court

Defiance of the authority of Judge Cox of the circuit court in Indianapolis by H. E. McClain, Indiana insurance commissioner, and threatened contempt of court action by the judge, created a flurry, but ended without untoward incident. Mr. McClain was haled into court on a contempt charge following a dispute with an attorney, Clyde Karrer, who was named by the court as receiver of an \$85,000 legal reserve fund involved in litigation. Mr. McClain refused to turn over the reserve. Judge Cox declared he had been informed that Mr. McClain refused to co-operate with Mr. Karrer, but it was pointed out that Mr. McClain had been willing to permit an inventory of the fund and a certificate of its existence.

For several months the affairs of the Chicago National Life and the Pacific States Life have been the subject of argument by various groups in circuit court in Indianapolis. A replevin action by the latter against the insurance department to secure the legal reserve deposited by the Chicago National Life precipitated the litigation. Attorneys representing policyholders protested against return of the fund to the Chicago company, alleging unpaid claims existed. The Pacific States took over the Chicago National policyholders.

Executive Committee to Elect New Chairman

Secretary Jess G. Read of the National Convention of Insurance Commissioners has taken up with G. W. Brown of Minnesota, president, the procedure to follow in the election of a chairman of the executive committee to succeed J. B. Thompson of Missouri, who retired from office July 1. It is probable that President Brown will call for a mail ballot to elect a successor. The other members of the executive committee are Olsness, North Dakota; Clark, Vermont; Thulemeyer, Wyoming; Mitchell, California; Brown, Massachusetts; Clark, Iowa, and Gough, New Jersey.

President Brown will make no

Wins Advancement



E. C. KLINGMAN

E. C. Klingman has been advanced to the position of agency superintendent of the Jefferson Standard Life. He was formerly underwriting manager.

changes in committee assignments and new commissioners will succeed their predecessors. This will not be true of Commissioner O'Malley of Missouri, who will not succeed Mr. Thompson on the executive committee.

Raymond P. Miller

The New England Mutual Life announces the appointment of R. P. Miller as general agent at Salem, Mass.

"Scraping Kids"

Richard Linton was a well-known business essayist of half a generation ago. In one of his compositions was a paragraph about unity in a sales corps. Possibly the one man or one woman in your organization who is not quite in tune may be helped by it,—here it is:

One trouble-breeder in a sales force destroys the spirit of cooperation without which it is impossible to work as a unit and as a unit to reach the highest state of efficiency. The well-balanced man does not waste himself upon regrets and fault-findings, but takes his job as he finds it and does his best with it. He radiates an influence that helps to make others efficient and successful. Wherefore, if there are bickerings, let them cease; if there are jealousies, let them dissolve; if there is a withholding from those who are trying to unite and build up, let friendly hands be extended.

Quit you like MEN!—not like "scraping kids."

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

Effect of the Depression on Policy Age Groups

NEW YORK, July 6.—Investigation of the effect of the depression on policies of longer duration as compared with its influence on those of more recent issue has revealed that conditions of the last three and one-half years have caused a much greater increase in the rate of surrender among the older policies.

This survey, made by an actuary of one of the largest companies, did not show that the lapse rate among older contracts had increased to the point of exceeding the rate on newer policies, as the difference between the lapse rate on the two groups of contracts was, and still is, so marked as to leave the rate on the newer policies much higher than on the old.

Example Is Given

Taking arbitrary percentages for the sake of example, suppose that the normal lapse rate on a group of older policies were 2 percent and on the newer group, 10 percent. As the result of the depression it might be found that lapses on the former group had jumped to 6 percent, an increase of 200 percent over the normal rate, while with the latter group it had advanced to 15 percent, or only a 50 percent advance over the old rate.

In such a case, the increase in the lapse rate in the new group would mean that more business was going off the books from the 50 percent increase in the lapse rate in that group than from the 200 percent increase in the rate on old business, even supposing that the volume of old business were equal to that of the new, which is most unlikely.

The tendency of a relatively greater lapse rate among older policies is to keep the average age lower than it otherwise

would be and also to keep down the average policy duration. However, the decline of new business that also results from hard times tends to raise the average age, and the latter influence is usually considerably the stronger.

Because the American Experience table, almost universally used for valuation purposes, is most markedly out of line at the younger ages, and also because it ignores the effects of medical selection, it has given rise to widespread confusion as to the meaning of mortality ratios.

Since the American Experience table is far too conservative at the lower ages, it is possible for a company writing a large volume of new business in proportion to that already on its books, to show a very favorable of actual to expected mortality. The company with the higher ratio may be doing better underwriting and paying better dividends to its policy-holders at all ages.

This unwarranted weight which the American Experience table gives mortality of the younger ages makes it virtually impossible for an actuary to compare the mortality of one company with that of another except by comparing the various age groups of the one company with corresponding groups in the other company, and taking policy durations into consideration at the same time.

Equitable of Washington, D. C.

R. E. Carson, former assistant district manager of the Equitable Life of the District of Columbia, has been made district manager in charge of the Wheeling office. Mr. Carson succeeds F. C. Benton, who has been made home office representative in the western division. Mr. Benton will be located in Columbus, Ohio. J. J. Perunko, of Neffs, Ohio, will succeed Mr. Carson as detached assistant manager in charge of Bridgeport, Ohio, office. Mr. Carson is a former newspaper man and at one time was a member of the Wheeling "News" staff.

Production Increases Found on Many Fronts

The Bankers Life of Iowa made a record with \$5,000,000 in new business in June. This was the largest business month since September, 1932.

* * *

The Connecticut Mutual ended June with new business amounting to \$12,172,404, an increase of \$2,028,352 or 20 percent over June 1932. This is the second consecutive month that the company has shown an increase in new business over the corresponding month of last year.

* * *

J. A. Diefenbach, manager Mutual Life of New York at Davenport, Ia., reports a marked increase in June with 211 applications for \$511,091 of new business, compared with 82 applications for \$294,000 a year ago.

* * *

The northeastern Ohio agency of the Sun Life wrote 263 policies for \$578,154 in a loyalty day sales contest.

* * *

The Penn Mutual in April, May and June developed more policies than in same months of last year. In May and June it delivered more volume than in May and June of last year. Vice President Davis congratulating the field said:

"Unquestionably there is a marked improvement in feeling in every section of the country and there is some upturn in business conditions generally. This psychological and actual improvement has real significance for all of us with the everywhere visible improvement in conditions we may confidently command for ourselves the better business of these better days."

Selling Retirement Income

As a result of the lessons taught by the past few critical years, an increasing number of people are now determined to follow a more conservative program to attain financial independence. Many of them will quite naturally turn to the well-managed life insurance companies.

Through life insurance, men and women not only can protect their dependents against financial loss in the event of premature death, but they can also build up a cash reserve for themselves for emergency needs during the middle years of life and provide funds which will assure a steady, guaranteed retirement income for old age. More and more, people are recognizing the unique advantages of life insurance from an investment viewpoint.

The New York Life Agent is in an exceptionally strong position to be of service to such individuals. He represents a Company whose financial strength is unquestioned. Option Three of the New York Life policy contract provides a retirement income on all policies which mature as endowments, or are surrendered for cash. The Agent has a wide choice of new as well as old insurance contracts to fit the particular needs of his clientele for retirement income; also single premium and annual premium, and immediate and deferred annuities.



HOME OFFICE BUILDING

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE
NEW YORK, N. Y.

Affirmative and Negative on Using Contests as Stimulus

The pros and cons of agency contests and other methods of maintaining production during these difficult times, and especially the summer slump season, were discussed in a round table by the Life Agency Supervisors Association of Chicago, C. F. Schuster, brokerage department manager of the W. M. Houze agency, John Hancock Mutual, being chairman.

Mr. Schuster said the task of keeping men on the go is difficult today. New men are filled with negative ideas which work against their success. When they are taken on they are told they can make money in the business. Then they are subjected to criticism of relatives, pessimistic comments by older life insurance men, and they begin to wonder. Many look upon the life insurance connection only as a stop-gap and await impatiently the opportunity to go back to their old jobs.

Mr. Schuster said the Houze agency attempts to recruit six new men a week, but is lucky if there are two remaining at the end of the seven days.

Quick Commissions Essential

Even among those men who remain there is a serious problem, how to get them quickly into production and secure cash commissions for them to prove that the optimistic stories told in selling them on the life insurance idea were not overdrawn. Mr. Schuster finds that as soon as the new agent is turned loose on his own he is especially subjected to demoralizing influences. Some of these men are bound to be lost. Better results are obtained by close supervision, by sending them out with older men or supervisors to close business for a time.

In regard to contests, Mr. Schuster finds these are less effective than an appeal to the agent to be successful and personal conferences in ironing out difficulties. Only when the agent is shown cash commissions is there a chance to retain his interest in life insurance selling.

Personal Conferences Help

One of Mr. Houze's new agents insisted on going it alone; refused to let a supervisor help him sell. He went out for two weeks without making a sale. Then he was reasoned with and questioned. It seemed he was afraid supervisors would "high pressure" his prospects and he felt he could not sell that way. It was pointed out that pressure in the sale is necessary in these times. The man went out and wrote six applications in six consecutive days. Another agent suffered much the same difficulty and after being straightened out wrote three applications in six days.

Mr. Schuster said many agencies make the mistake of believing that after a new man has gone through the training he understands life insurance as well as do the agency heads. The Houze agency records show that even now the law of averages is operating, but agents have to see twice as many prospects.

The conclusion drawn was that practice is better than theory in life insurance.

ance, that it is better to show a new agent how the sale is done rather than to tell him. He is greatly helped by seeing somebody actually close a case.

That the methods employed in the Houze agency have been effective was testified by the fact that throughout the depression period substantial paid increases have been made each year. During financial independence week this year 100 applications were written. During the recent "Let's Go Chicago" special effort there were 102 apps. Last week in a "ready money" contest 65 applications had been written up to Thursday.

Pride in himself and the agency is a better appeal, Mr. Schuster believes, than any contest. He asks how a new man can become enthusiastic about a contest when he does not know how to sell life insurance. He believes contests are not so effective in mixed organizations. One bad effect is the inevitable let down for a period after the contest closes.

Agency Succeeds with Contests

F. E. Cripe, Connecticut General, took the affirmative on contests. His agency, managed by F. H. Haviland, has been signally successful, having started in the depression period and made rapid advance. Frequent contests are held, usually every month. Some of these are keyed to golf parties or outings, with quotas to qualify. Mr. Haviland sees in contests more the value of putting fun into the work and inducing the spirit of competition.

E. Enoch of the same agency supervises most of the contests and said they resulted in 20 percent more paid business in the first full year since Mr. Haviland took charge, 25 percent more in the second year and 10 percent more last year. There have been five contests in the six months this year, the agents being kept on their toes most of the time. Very large charts are used in these contests. Credit on business is adjusted by quotas according to the comparative ability of agents.

App-a-Week Club Stimulus

Robert Cameron, Prudential, spoke a word for the app-a-week effort and said the men in the agency have been induced to remain out each week until they close at least one case.

O. Talmage Smith, of the Spaulding agency Mutual of New York explained operation of the monthly round table for which agents qualify by writing at least four applications. Varied colored stars are used to indicate when they have written four or more and qualified with a certain amount of paid business, or written four or more and not had the paid qualification quota.

Four new members were admitted to the association, V. M. Burke, Heifetz agency Mutual of New York; C. F. Merrifield of the Northwestern National; N. W. Menold, New York Life, and E. T. Sabin, Chase agency Connecticut Mutual.

Misconduct Charge Against Clark Made in Receivership

DES MOINES, IA., July 5.—A complaint alleging misconduct against Commissioner E. W. Clark of Iowa in connection with events preceding receivership of the Royal Union Life here, was filed July 1 with Governor Herring by W. R. Baker, Kansas City, Kan., attorney, representing H. A. Gross of Los Angeles, plaintiff in the receivership action. Allegations were the same as were made by Gross in his answer to the cross petition filed by the commissioner in

federal court for the purpose of being appointed co-receiver of the company and were largely based on claims that Clark had knowledge the company was insolvent "in excess of \$1,000,000" on Dec. 31, 1932, and failed to report the matter to the attorney-general.

Food Poisoning Decision

The United States circuit court of appeals at New Orleans has held that food poisoning is caused by bacterial infection and the insurer is not liable under the double indemnity feature. The New York Life, which issued a policy to John A. Kennedy, had appealed the case.

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Fledglings!

IN a few short weeks, their wings strong, the birds will be shooed out of the nest to fend for themselves. Your fledglings must spend years strengthening themselves to meet the world single-handed. Protect them now against having to face life too early or unequipped. Life insurance will look after their education — even take your place financially if it should be necessary.

You're Making Good-for them

IT'S a big job — providing for your family's present happiness and well-being. So much bigger is the job of providing for their future that wise men call on Life Insurance to help.

Is your family fully protected?

"Till Daddy comes Home"

THEY'RE so dependent on Daddy for all they have in life — and so confident that he'll come through. Don't let anything destroy that confidence. Life insurance will protect them for all the years ahead — come what may.

Her Background

SO important to her poise and her happiness is the background your wife stands against. Tell her that she can always bear your name as proudly as she does to-day. Protect her and the background you have created for her with Life Insurance.

John Hancock
LIFE INSURANCE COMPANY OF BOSTON, MASSACHUSETTS

JOHN HANCOCK INQUIRY BUREAU
197 Clarendon Street, Boston, Mass.
Please send your booklet on life insurance for family protection.

Name	____
Address	____
City	____
L.B. 1-33	____

John Hancock
LIFE INSURANCE COMPANY OF BOSTON, MASSACHUSETTS

JOHN HANCOCK INQUIRY BUREAU
197 Clarendon Street, Boston, Mass.
Please send your booklet on life insurance for family protection.

Name	____
Address	____
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John Hancock
LIFE INSURANCE COMPANY OF BOSTON, MASSACHUSETTS

JOHN HANCOCK INQUIRY BUREAU
197 Clarendon Street, Boston, Mass.
Please send your booklet on life insurance for family protection.

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JOHN HANCOCK national advertising
for July and August tunes in with
the trend "Back to Fundamentals"

Mutualization a Possibility Now in Illinois Life Case

HOLD SEVERAL CONFERENCES

Board of Three Hears Bidders for Illinois Life, New Plan, Lincoln National Men

The presence in Chicago last week of Lincoln National representatives and their conference with the advisory board of three attorneys empowered by the federal court to negotiate for reinsurance of the Illinois Life indicated that the Ft. Wayne company again is interested. F. B. Mead, executive vice-president and actuary, and A. J. McAndless, were the officials who went to Chicago.

More than six months ago the Lincoln National, whose bid for the Illinois Life was tentatively accepted by the court, withdrew when it appeared there would be long delay due to legal complications.

Confers with Many Bidders

The advisory board conferred three days last week with the original bidders, of whom there were 14, and, it is understood, also with at least one group newly interested in the Illinois Life reinsurance. An eastern insurance man is reported to have made a proposal, represented by Former U. S. Senator Watson of Indianapolis and Former Attorney-General Oscar Carlstrom of Illinois.

Donald Campbell, consulting actuary of Chicago, informally presented a plan for mutualization. He represented no interests, but offered the suggestions for use by the board of three. The board, according to authoritative report, seriously contemplates mutualization.

Offers Mutualization Plan

Mr. Campbell suggested using \$1,000,000 of Illinois Life assets for surplus of the proposed mutual, this to be the mutual's only compensation. A lien would be put on reserves in amount necessary to offset remaining liabilities.

For ten years, under this plan, the mutual would guarantee waiver of lien on all death losses under policies paid up or on which premiums were being paid.

The mutual would agree to hold all securities of the Illinois Life to be sold or disposed of as they matured, under a trustee for ten years, and to guarantee the assets at prices at which securities were taken over. Any profits would accrue to policyholders.

All policies under premium payments or on paid up basis would become participating as soon as the lien were discharged. Expense of managing Illinois Life business would be limited to clerical and stenographic cost. The mutual would furnish the old business supervision free.

Propose New Louisville Company

LOUISVILLE, July 6.—A group of local life men, several of whom were formerly connected with Inter-Southern Life, have announced plans for formation of the Lincoln Mutual Life. D. J. Duncan, C. B. Nordeman, former treasurer of Inter Southern, Azro Webster, E. M. McGuire, J. R. Duncan, H. W. Venable, C. H. Nicholls, M. M. Sizemore, M. O. Starke, T. V. Brown, C. E. Gary, W. A. Orr and C. P. Summers have filed legal notice of plans.

Philadelphia for Riehle

G. A. Eubank of New York City, who is promoting the candidacy of T. M. Riehle for president of the National Association of Life Underwriters, reports that the Philadelphia Life Underwriters Association has endorsed Mr. Riehle.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Annuity Rates Are Changed

Connecticut Mutual and Metropolitan Announce New Scales Now in Effect

The Connecticut Mutual and Metropolitan have changed annuity rates in line with the general movement among companies to increase the scales.

Tables A and B, below, for the Connecticut Mutual, show respectively the males' single premium life annuity, non-participating, without return of balance of purchase price at death, and with return.

Metropolitan Changes

The three tables for the Metropolitan show respectively: C, purchase price per \$100 annually of single premium straight life annuity; D, purchase price per \$100 annually of single premium straight life annuity with guaranteed minimum return; E, annual premium for males' retirement deferred annuity of \$100 a month maturing at age 65, including waiver of premium disability. The new rates are:

Connecticut Mutual (Non-Participating) Table A

Age	\$100	\$100	\$100	\$100	
Age	Ann.	Age	Ann.	Age	
40..	\$1,697.00	55..	\$1,283.00	70..	\$817.00
41..	1,672.00	56..	1,253.00	71..	787.00
42..	1,647.00	57..	1,222.00	72..	758.00
43..	1,622.00	58..	1,191.00	73..	728.00
44..	1,596.00	59..	1,160.00	74..	700.00
45..	1,570.00	60..	1,129.00	75..	671.00
46..	1,543.00	61..	1,097.00	76..	643.00
47..	1,516.00	62..	1,066.00	77..	616.00
48..	1,488.00	63..	1,034.00	78..	589.00
49..	1,460.00	64..	1,003.00	79..	563.00
50..	1,432.00	65..	972.00	80..	537.00
51..	1,403.00	66..	940.00	81..	512.00
52..	1,373.00	67..	909.00	82..	488.00
53..	1,344.00	68..	878.00	83..	465.00
54..	1,314.00	69..	848.00	84..	442.00
				85..	419.00

Table B

Mod. Life End. 85 Guaranteed Annuity

Age	1st 5 Years	After 5 Years	Ord. 20
20..	\$ 8.99	\$ 7.98	\$19.21 \$29.39
25..	10.32	20.64	21.49 31.83
30..	12.09	24.18	28.11 38.34
35..	14.45	28.90	33.01 42.79
40..	17.72	35.44	39.55 48.52
45..	22.34	44.68	48.48 56.17
50..	28.98	57.96	60.72 66.69
55..	77.69 81.60

Table C

20 Yr. Term Return of Prem. Retirement Income

Age	55	60	65
20..	\$ 9.23	\$29.14	\$22.61 \$18.52
25..	9.88	36.12	27.14 21.63
30..	10.92	46.22	34.43 25.82
35..	12.81	61.91	42.58 31.68
40..	16.27	88.67	56.71 40.16
45..	22.74	143.08	80.83 53.23
50..	35.15	129.66 75.33
		 119.46

Metropolitan Table D

20-Payment Life

Age	1..	5..	10..	15..	20..
20..	\$2.10	\$3.11	\$4.43	\$6.00	\$7.75
25..	2.36	3.48	4.96	6.68	8.46
30..	2.75	3.99	5.52	7.25	9.41
35..	3.27	4.53	6.15	8.18	10.61
40..	3.80	5.18	7.12	9.42	12.00
45..	4.52	6.21	8.47	10.92	13.54
50..	7.56	9.81	12.19	14.35	16.81

Table E

20-Year Endowment

Age	1..	5..	10..	15..	20..
20..	\$1.80	\$2.40	\$2.93	\$3.50	\$4.25
25..	1.85	2.45	3.04	3.72	4.47
30..	1.90	2.50	3.18	4.04	4.84
35..	1.95	2.60	3.44	4.43	5.58
40..	2.05	2.70	3.72	4.99	6.39
45..	2.20	2.85	4.19	5.98	7.57
50..	3.05	4.20	7.01	9.27	11.57

O'Malley Assumes Post as Superintendent of Missouri

As was predicted in these columns early this year, R. E. O'Malley of Kansas City, Mo., July 1 was sworn in by Judge C. A. Leedy, Jr., of the Missouri supreme court at Jefferson City, to succeed J. B. Thompson, also of Kansas City, as insurance superintendent. Mr. O'Malley in recent years has been an agent for the Midland Life of Kansas City. Prior to that he was in the wholesale cigar business in Kansas City. He has long been prominent in Democratic affairs and was endorsed for the appointment by all factions of the party throughout the state. He is also entirely acceptable to all branches of the insurance business. Superintendent O'Malley enters his new office with an avowedly open mind and no preconceived ideas of how to revolutionize the insurance business. He stated his intention is to be fair and reasonable, keeping in mind always his duties to the public. He has no intention of striving for a "record" but will be satisfied if he can simply be a good superintendent.

G. A. S. Robertson, for several years agent in Marshall, Mo., and Kansas City for the Sun Life has been named deputy superintendent. Shortly after election of Governor Park it was stated Mr. Robertson was candidate for superintendent.

Superintendent O'Malley is expected soon to announce other appointments in his department. It is understood that J. P. Gordon of Kansas City, former state auditor, will be among the appointees.

A. T. Lehman President

A. T. Lehman, actuary of the Detroit Life, was elected president of the Detroit Actuarial Club at the annual meeting. Mr. Lehman was one of the charter members and was instrumental in organizing the club. He served as secretary in 1931 and vice president last year. He succeeds John E. Little, actuary of the Maccabees.

R. F. Reitter, secretary and actuary of the Gleaners and secretary last year, becomes vice president, and R. E. Morris, assistant actuary of the Maccabees, secretary. J. E. Reault, actuary and chief examiner of the Michigan department, was named treasurer.

President Lehman appointed the following committees: Program, J. E. Little, chairman, W. O. Mengen and A. G. Gabriel; membership, A. A. Speers, chairman, W. G. O'Connell and J. T. Rohm; entertainment, L. W. Schleih, chairman, J. A. Hands and V. C. Kellogg.

20-Payment Life

Age Year.. 1 5 10 15 20

20..	\$0.79	\$3.10	\$ 5.79	\$ 9.02	\$12.91
25..	1.03	3.34	6.05	9.23	13.13
30..	1.36	3.69	6.32	9.48	13.41
35..	1.84	4.03	6.63	9.87	13.78
40..	2.27	4.45	7.16	10.43	14.26
45..	2.87	5.18	8.01	11.21	14.91
50..	5.29	7.82	10.46	13.10	16.87

Berkshire Life

Single premium immediate annuity rates adopted this year by the Berkshire are based on the table commonly referred to as the Equitable, N. Y. table. This refers to the table that has been used for some years by the Equitable and not the new Equitable table effective July 6. Berkshire rates may be obtained by taking the rate to the nearest dollar. These new rates supersede those shown on page 1199 of the 1933 Unique Manual-Digest.

GENERAL AGENCY NEWS

Embry Agency in Campaign

Lure of River Float Trip for Agents
Results in 786 Applications
for \$2,500,000

KANSAS CITY, MO., July 6.—The ninth anniversary campaign of the A. M. Embry agency of the Equitable of New York, with which has been combined the last three years a "float trip" on the James river, resulted in 786 applications for over \$2,500,000 of original business. This does not include \$1,500,000 of business in additional. Notes were not accepted. One day's results were 228 applications, one of the best days in the agency's history.

Most of the business came in during the last ten days of the 30-day campaign which opened May 25 and closed June 24. The quality of business was improved.

Fred Holderman of Meade, Kan., became president of the "producer's legion" with 33 cases for \$113,000. O. S. Hedges of Chillicothe, less than a year in the business, was vice-president with 22 cases for \$32,000.

The ten high men: unit managers G. J. Woodward of Wichita and T. L. Johnson of Kansas City; H. C. Booker, assistant agency manager; W. M. Rothamel, superintendent of agents, central department, and Mr. Embry left July 1 for a four days' fishing trip on the James river in the Missouri Ozarks.

Jenness Head of Virginia Club of the Mutual Life

RICHMOND, July 6.—C. F. Jenness of Richmond was elected president of the Virginia Club of the Mutual Life of New York at the annual convention in Richmond. Other new officers are: Vice-president, R. N. Reamy, Edwardsville; secretary, C. R. Sydnor, Lynchburg. Mr. Jenness was one of the five Big Club men from Virginia this year. In the contest between the Big Club men and the rest of the Virginia field June 1-26, he captured the prize for

Supervisors' Projected Organization Is Shaping

There is a strong possibility that the projected "National Association of Life Agency Supervisors" will take concrete form at a meeting during the annual convention of the National Association of Life Underwriters at Chicago in September. The New York and Chicago clubs are pushing the plan and have started a national survey to disclose all supervisors clubs and to interest them.

The Chicago club was formed five years ago and the idea spread. In a letter being sent to life underwriters' associations throughout the country, supervisors are invited to attend the national meeting in a body and make possible a strong organization. The program has been prepared for a group supervisors' meeting which will be a part of the formal national program. This meeting will be held Sept. 28, from 7 to 9 p. m. in the Hotel Stevens.

The theme of four addresses will be "Sales Ideas." Russell Moore, supervisor, Midland Mutual, Columbus, Ohio, will speak on the subject "Sales Helps." Maxwell Stevenson, agency supervisor, Berkshire Life, Pittsburgh; Z. C. Yates, supervisor Union Central, Chicago, and A. S. Holman, manager of the Travelers at San Francisco, second vice-president National Association, also will speak.

Samuel Leland, Jr., president of the Chicago club and manager life department Fred S. James & Co. is chairman of the arrangements committee and will preside at the meeting.

largest volume of applications and paid-for business. R. N. Reamy won the prize for largest number of applications. The field men beat the Big Club men in the contest, 25 agents writing 43 applications for \$112,500, while the Big Club men wrote 38 applications for \$80,000.

The Field Club cup for largest percent of paid-for business to quota for 12 months from June 1, 1932, to June 1, 1933, was won for the sixth successive year by the Wicomico division of which Mr. Stephens is district manager. The Danville division, of which C. J. Wells is district manager, won the cup for largest percentage increase in business to quota assigned for 12 months. The convention was opened with a banquet, S. B. Love, Virginia manager Mutual Life, being toastmaster.

Owen Agency Sets Record

Honoring Vice-President A. B. Wood, the E. W. Owen agency of the Sun Life of Canada in Detroit turned in the largest volume of business in the month ending June 12 since December, 1931,

writing 200 applications, 76 on former Sun Life policyholders. Paid-for ordinary business was \$778,046, group pensions \$3,272,440, and group life \$500,000.

Kansas Commission Ruling

A ruling by Commissioner Hobbs of Kansas prohibiting the payment of commissions before the company receives in cash the premium on which the commission is paid, was puzzling to the companies until they learned the practice, which the ruling was aimed at. Apparently some of the life companies have been accepting notes from the assured in payment of the first year's premium, but have been paying the agent his commission in cash immediately. This is the practice which Mr. Hobbs desires to have eliminated. He feels that it depletes the cash position of a company. He issued the ruling under authority of recently enacted emergency legislation.

"From and after the date of this order," the ruling stated, "no insurance company or association in Kansas shall pay in cash any commission until and unless the company or association has actually received in cash the premium on which such commission is paid. This order applies to commissions to all agents, either general or local, and also applies in cases where the general

New Book Is Written by Huebner and McCahan

A new book, "Life Insurance as Investment" by Dr. S. S. Huebner, head of the insurance course at the University of Pennsylvania, and David McCahan, assistant professor of insurance at the same university, has come from the press of the Appleton-Century Book Company, it being one of a series of books edited by Dr. Huebner under the general head of "Life Insurance: Its Economic and Social Relations." This particular book takes up the solvency record and investment return of companies, investment essentials, investment objectives. It describes the services of life insurance and the building up of personal estates through systematic thrift. It discusses in detail all aspects of life insurance as investment. It is sold by THE NATIONAL UNDERWRITER. It costs \$2.50.

agency contract, if any, is owned or held by an individual, group of individuals, company or corporation; provided, however, that this shall not apply to commission on renewal premiums which are paid by policy loans or lien notes."

NWNL GENERAL AGENTS

HAVE BEEN SELECTED WITH

THE GREATEST CARE



NWNL chooses as general agents only those men who have the capacity to build substantial agencies. When, after he has been interviewed in his home city by a Company representative, a candidate for a general agency is favorably considered, he is invited to the Home Office. There he sits down with each of the officers and department heads, learns the aims and aspirations of NWNL, its methods and routines, and in turn gives them an opportunity to know his ideas and objectives. This exchange of views develops mutual understanding and provides a sound basis for a permanent business association.

Perhaps this explains why NWNL has fewer general agencies than any company of its size—and more big ones. To a remarkably great extent NWNL agencies are either big or on their way to substantial size. A general agency contract with this company is a valuable franchise.



NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

O. J. ARNOLD, PRESIDENT

STRONG - Minneapolis, Minn. - LIBERAL

MANAGERS' ASSOCIATION NEWS

Hold Fathers and Sons Day Orth Is Elected President

Los Angeles Managers Club Hears Younger Men in Business—All Officers Reelected

C. K. Warren, Acacia Mutual, vice-president of the Life Managers' Club of Los Angeles, presided at the June meeting in the absence of President J. H. Russell, Pacific Mutual. Both were unanimously reelected for six months. This was designated "Fathers and Sons" day, speakers being sons of managers and general agents who are members.

The first speaker was the late Neil Hathaway, son of F. C. Hathaway, manager southern California agency, Mutual Life of New York. Neil Hathaway later was killed in an automobile accident. His subject was "The Present Life Insurance Market." Eugene Hays, oldest son of R. R. Hays, of Hays, Hudson & Bradstreet, New England Mutual, spoke on "A father's influence during the first eight years in the life insurance business."

"The Job of Understudying My Father," was discussed by Denton Hammond, son of W. M. Hammond, general agent Aetna Life. R. O. Ferguson, Penn Mutual, son of W. O. Ferguson, general agent for that company, directed attention to "Opportunities for a young man in the actuarial department of the business."

The program concluded with a talk by C. F. Warren, son of C. K. Warren, manager Acacia Mutual, on "What Association with Life Insurance Men Has Taught Me." Meetings will be discontinued during July and August and resumed on the second Monday in September.

San Francisco Club Names Minty Vice-President and Montgomery Secretary-Treasurer

Raymond Orth, manager Home Life of New York at San Francisco, has been elected president of the San Francisco General Agents & Managers Association, succeeding O. C. LeBart, general agent New England Mutual, whose term expired June 30. R. G. Minty, manager Jefferson Standard, was elected vice-president. Both have served as secretary-treasurer and during the last term Mr. Orth was vice-president. H. V. Montgomery, joint general agent State Mutual, was elected secretary-treasurer.

Members of the executive committee elected are: C. W. Peterson, Phoenix Mutual; Daniel Mooney, Peoria Life; M. L. Fairchild, Connecticut General; O. L. Zeus, Travelers; and K. L. Brackett, John Hancock.

Under the rules two ballots are prepared and vote is by mail. Nominated for president in addition to Mr. Orth was L. F. Rice, general agent Connecticut Mutual; for vice-president, W. R. Spinney, general agent Franklin Life, and for secretary-treasurer, G. F. McKenna, unit manager Penn Mutual.

Jekel Heads St. Louis Actuaries

ST. LOUIS, July 6.—O. H. Jekel, actuary Reliable Life & Accident, was elected president of the Actuarial Club of St. Louis to succeed Ross Moyer, Missouri State Life, at its annual dinner.

O. J. Burian, Missouri State Life, was named vice president to succeed C. M. Hanson, assistant actuary Continental Life, while Miss Ruth Whipple,

Missouri State Life, was named secretary-treasurer, a position filled the past year by Miss Kathryn Zeiss, Missouri State Life.

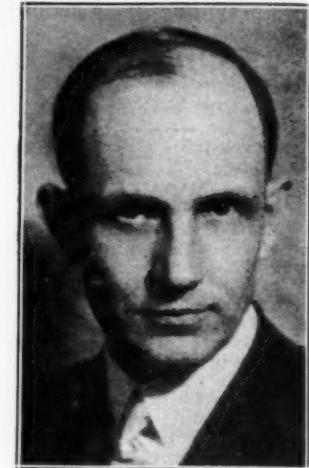
Speakers included: Judge Byron K. Elliott, manager American Life Convention; C. O. Shepherd, vice-president and actuary, Missouri State Life; Henry Reichgott, vice-president Missouri State Life; Miss Eloise Koch, Central States Life; Roland Young, assistant manager American Life Convention; Cornelius J. Shea, president State National Life, and Lee N. Parker, president American Service Bureau. Mr. Hanson served as toastmaster.

Hartford Life Safety Fund Not to Be Distributed Now

Distribution of the safety fund of the Hartford Life cannot occur until outstanding insurance in the men's division, now \$1,011,000, is reduced to \$1,000,000. Commissioner Dunham of Connecticut stated in answer to rumors that the fund was to be terminated soon. This safety fund was set up when the company was an assessment organization by collecting \$10 per \$1,000 from each applicant. The company went on a legal reserve basis in 1899 and in 1912 the legal reserve business was reinsured by the Missouri State. There is also a women's division. The superior court of Hartford county in 1926 ruled that when outstanding insurance in the latter division of the safety fund is reduced by death, lapses or other causes to the amount of the then market value of assets in the safety fund, plus the amount in the mortuary fund, both shall be distributed among persons holding certificates then in force pro rata according to the proportion the face value of a certificate bears to the total outstanding in the division.

The Oklahoma City agency of the Kansas City Life held its annual five-day camp at Lake Talihina, in south Oklahoma.

J. B. Thompson in Charge of Life Insurance Exhibit



JOSEPH B. THOMPSON

J. B. Thompson, who retired July 1 as insurance superintendent of Missouri, has been placed in charge of the life insurance exhibit at the Century of Progress Exposition in Chicago. Mr. Thompson has been chairman of the executive committee of the National Convention of Insurance Commissioners and is one of the most prominent men in the organization. He is succeeded as insurance superintendent by R. E. O'Malley, who has been with the Midland Life of Kansas City at its head office. Mr. Thompson was general agent of the Sentinel Life of Kansas City at its head office when he was made insurance commissioner. He was secretary to the governor of Missouri from 1921 to 1925.

While well-planned efforts are being made to speed the return of more prosperous times, we can well afford to consider the remarkable stabilizing influence of life insurance during the depression. It has been a source of patriotic pride and satisfaction to all who are engaged in our business.

In payment of claims and meeting all obligations in full, life insurance has written an imperishable record of financial stability and integrity. No other financial institution has equalled or approached its record.

Payments to life insurance beneficiaries have not only been of incalculable benefit in alleviating distress, but also in furnishing funds to maintain an unimpaired living standard where sufficient coverage was provided. Thus, in time of greatest need, life insurance has sustained public morale and substantially contributed to the general welfare.

DON'T
GAMBLE—
INVEST IN
LIFE INSURANCE
WHICH IS
ALWAYS
AT PAR.

LIFE COMPANY CONVENTIONS

Pan-American Life Meeting

Summer Regional Conference of Managers and Field Men Was Held in Dallas

With 65 or more general agents, managers and fieldmen in attendance from Texas, Arkansas and Oklahoma agencies, the Pan-American Life completed the first of its 1933 summer regional agency conferences. The meeting was held in Dallas and was in charge of Ted M. Simmons, manager of agencies, Charles J. Mesman, manager agency analysis bureau, and J. W. Murphy, public relations manager. The meeting was welcomed by H. L. Seay, president Southland Life, who paid a glowing tribute to the management of the Pan-American, eulogizing Dr. E. G. Simmons, vice-president and general manager and one of the founders of the company, and an associate and co-worker with Mr. Seay in the interest of life insurance over a long period of years.

Ted Simmons' Points

Ted M. Simmons said all companies reinsured or going into the hands of receivers since 1929 as a result of the depression represented only six-tenths of 1 percent of the life insurance in force in the United States and these failures resulted from departure from the principles underlying legal reserve life insurance. Salaries paid life insurance executives are far lower than salaries paid executives of other businesses of similar size, he said.

A distinctive feature was the assignment of portions of the program to agencies. This feature, designated as "The Big Broadcast," was divided into

a series of "hours," each agency handling his part of the program in its own manner. A practically "speechless" banquet was the only scheduled entertainment feature. J. W. Murphy as toastmaster presented in turn the general agents and managers.

American Life Meeting

American Life managers from the entire country gathered at the home office in Detroit last week for the annual managers' conference, presided over by President C. L. Ayres. Reports from all sections showed a definite improvement in business with bright prospects for the balance of the year. A new policy, the "Ace," on the coupon reduction plan, was announced together with a sales contest in which those who qualify will be given a trip to the Century of Progress exposition in October.

NEW YORK NEWS

COLIN PRODUCTION MANAGER

The Paul Alexander Agency of the Guardian Life at 16 Court St., Brooklyn, has appointed N. L. Colin production manager. He was connected with the Penn Mutual in New York City for a number of years—until recently as a supervisor with the Ben Hyde Agency.

J. ELLIOTT HALL OUTING

Threatening weather failed to keep the seventh annual outing of the J. Elliott Hall agency of the Penn Mutual Life in New York City from being the traditional success which these outings have always been noted for. Baseball

occupied most of the morning, while the afternoon was taken up with golf, quoit-pitching, swimming, and a program of impromptu entertainment, which included singing, impersonations, recitations and instrumental solos. The outing was held, as in the past, at Mr. Hall's beautiful farm at Morristown, N. J.

* * * REPORTS FOR JUNE

The J. S. Myrick agency of the Mutual Life of New York paid for \$1,674,171 in June as compared with \$2,552,848 for June, 1932. The total for the first six months was \$10,895,434, as compared with \$15,130,75.

The J. Elliott Hall Penn Mutual agency paid for \$1,707,345, compared with \$1,311,063 in June last year. For the year to date the figure is \$9,646,910, as against \$10,333,345.

The Luther-Keffler agency of the Aetna Life in New York City paid for \$1,550,235 in June and \$15,064,048 for the first six months.

New Agent's Big Production

A. J. Kirchberg, agent of the F. H. Haviland general agency of the Connecticut General Life in Chicago, who entered life insurance last August, has paid for 38 cases for \$328,500 this year. He was formerly in the bond business, associated with Field, Gore & Co., and is a son of Edward Kirchberg, well known Chicago jeweler.

Beneficiary Insurance Barred

BOSTON, July 6.—The Equitable Life of Iowa has been notified by Commissioner Brown of an opinion of the attorney general to the effect that it may not issue in this state a form of policy which involves the insurability of the beneficiary as well as the insured. The policy insures the life of a minor upon an application made by his father, who is the contracting party with the company and who is described in the

policy as the "original beneficiary." It further provides that in the case of the total and permanent disability of the original beneficiary, the company will waive the payment of further premiums on the policy.

The attorney general points out that the Massachusetts law does not consider the beneficiary as an insured and does not provide for that kind of policy.

Organizing Tacoma Company

TACOMA, WASH., July 6.—Offices of the Capitol Underwriters Acceptance Corporation, holding company for the proposed Washington Life, have been opened here. It is understood they are affiliated with the Union States Life of Portland. The president of the Washington Life, who is endeavoring to complete its stock setup preliminary to qualifying under the law of Washington, is J. M. Ashton, Tacoma attorney. G. T. Stickney is treasurer and actively in charge of the company's offices in the Rust Building.

Morris Wins Trophy

W. O. Morris, actuary North American Life and president of the Chicago Actuarial Club, won the trophy in the blind bogey contest at the club's annual outing held at Rolling Green country club. The prize was an electric clock bearing the figure of a golfer. First low net went to Harold Carlson, Reliance Mutual, and second to Harold Hornerger, Great Northern.

Master Life Launched

The Master Life, a California assessment company, has been organized in Los Angeles with Harry Duker as president; M. F. O'Sullivan, vice-president, and V. P. Deering, secretary-treasurer. These officers with M. L. Duker compose the board of directors. The Master Life is occupying offices with the Sunset Mutual Life of Los Angeles, which is under the same management.



Life insurance investment funds have been one of the strongest forces in the stabilization of industry and business during the depression. They have revitalized and invigorated the arteries of commerce, lubricated the wheels of industry and helped sustain employment.

In addition, the number of persons directly employed by life insurance companies has been a source of national strength in time of stress. Reliable estimates show that the life insurance companies of the United States give steady employment to over 528,000 people, including field and home office workers. The most significant feature is that the number of workers has been maintained at substantially pre-depression figures.

While we appreciate our good fortune in being connected with a business that contributes so materially to our country's well-being, it behooves us to remember that life insurance is a public trust, and imposes a solemn responsibility on us in whatever capacity we serve.

Charles F. Williams, President.

THE NATIONAL UNDERWRITER

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PUBLICATION OFFICE, A1946 Insurance Exchange, CHICAGO. Telephone Wabash 2704
E. J. WOHLGEMUTH, President
HOWARD J. BURRIDGE, Vice-Pres.-Gen. Mgr.
JOHN F. WOHLGEMUTH, Secretary
Associate Managers:
W. A. SCANLON G. C. ROEDING
O. E. SCHWARTZ
CINCINNATI OFFICE
420 E. Fourth St., Tel. Parkway 2140
LOUIS H. MARTIN, Manager
ARNER THORP, Jr., Director Life Ins.
Service Dept.
CURTIS C. CROCKER, Mgr., Handbook Dept.
NEW YORK OFFICE
Room 803-123 William St., Tel. Beekman 3-8958
EDITORIAL DEPT.
GEORGE A. WATSON, Associate Editor
R. B. MITCHELL, Assistant Editor
BUSINESS DEPT.
NORA VINCENT PAUL, Vice-President
W. J. SMYTH, Resident Manager
A. S. CUTLER, Mgr., Industrial Dept.
HARTFORD OFFICE
Temporary Office Address
57 Outlook Ave., West Hartford
Telephone 4-8607
RALPH E. RICHMAN, Manager

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New Supervision Deal in Illinois

All hands have cause to rejoice that the Illinois legislature enacted a law at its session just closed abolishing the office of director of trade and commerce and creating one of director of insurance. Unfortunately when a few years ago the various state activities were apportioned under directors, the insurance department was made subordinate to the director of trade and commerce. This opened the way for undue political influence which has been a great detriment to insurance in the state. In fact, the insurance department became notorious as a politically ridden office.

The insurance superintendent at times had no authority whatever. He feared to render a decision or make a ruling because the director of trade and commerce might overrule him. Political attorneys, legislators and politicians used their influence up and down the line until the Illinois department lost its prestige and influence, not only in its own state but in the community of states. Governor HORNER championed this new legislation as an administration measure and it was carried through successfully. It is to the credit of the ILLINOIS CHAMBER OF COMMERCE that it originally espoused an amendment to the law, divorcing the Illinois insurance department from the department of trade and commerce. Therefore Governor HORNER had the backing of this state business body. Insurance Superintendent ERNEST PALMER very heartily supported the measure and he becomes, therefore, the first "director of insurance." The insurance department is now on the same basis as other cabinet officers of the state.

In connection with this "new deal" in Illinois all of us have cause for congratulation that Mr. PALMER has shown resourcefulness, courage, independence,

sympathy and intelligence in dealing with the many problems that came before him. He inherited a politically run department and the effect of politics on its work had been most baneful. It had been used as a cloak for weak institutions. Other states were in doubt as to the character of anything that came out of Illinois insurance-wise. This reflected on the honestly and ably conducted companies of Illinois. Mr. PALMER had therefore a delicate situation confronting him.

Politics were eliminated and it has taken some months for people to understand that Mr. PALMER is a free agent. Furthermore he has had to inspire confidence in his department. People accustomed to dealing with the office from a political standpoint are now finding that there is no use to secure political influence. Mr. PALMER has proved himself on the square, one of strict integrity and probity, who intends to be fair and square in everything that he does. He is using corrective measures where he finds an institution can be conserved. There is no state that has shown any greater ability in dealing with the delicate insurance situation than Illinois. It is fast regaining the confidence of other states.

The supervision of insurance involving as it does the welfare of thousands and thousands of people should be removed as far as possible from political currents. Governor HORNER is to be heartily congratulated for lifting this department out of the morass into which it had fallen. Even if he accomplishes nothing else during his administration he has shown himself a man of vision and constructive force in making the insurance department worthy of confidence and giving Illinois a brand of supervision that really supervises.

Led Astray by False Conclusions

It is a strange thing to recount but nearly every person thinks he is a Moses or an exception to the general run of mankind. He feels that he may not be understood by his fellows and yet he has the solution for great

problems. Therefore his wrong judgments and erroneous conclusions appear to him as the result of correct logical thinking. He gets to a point where he thinks he will escape the consequences of his own folly.

C. M. CARTWRIGHT, Managing Editor
LEVERING CARTWRIGHT, Ass't Man. Editor
Associate Editors:
FRANK A. POST, CHARLES D. SPENCER
DALE R. SCHILLING

SAN FRANCISCO OFFICE
407-8 Flatiron Bldg., Tel. Kearny 2054
FRANK W. BLAND, Resident Manager
MISS A. V. BOWER, Pacific Coast Editor

DALLAS OFFICE
1514 Kirby Bldg., Tel. 2-4491
FRED B. HUMPHREY, Resident Manager

DES MOINES OFFICE
627 Insurance Exchange
R. J. CHAPMAN, Resident Manager

DETROIT OFFICE
1015 Transportation Bldg., Tel. Randolph 3994
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ATLANTA, GA., OFFICE
204 Atlanta National Bank Building
SETH WHITE, Resident Manager

PERSONAL SIDE OF BUSINESS

Mrs. Don C. Lewis, widow of the former South Dakota commissioner, has been appointed by Governor Berry head of the division of audits and accounts. Mrs. Lewis has been connected with that division while it was a part of the state auditor's department, and with the department placed under the governor, she has been put at the head of the division.

Grant Westgate, assistant superintendent of agents Ohio National Life, who is on an inspection trip to the Pacific Coast visited the southern California agency in Los Angeles under **M. H. Fuller**, agency supervisor, and **M. F. Wagner**, agency manager. This agency experienced a marked increase in new business in June and as the result of a special drive the last week in June in honor of Mr. Westgate, the total for the month was the largest in the agency's history.

Dartmouth College at its commencement exercises conferred the degree of LL. D. on President **F. A. Howland** of the National Life of Vermont. He is a graduate of that institution.

Mr. Howland practiced law for a number of years. He served as clerk in the Vermont house, he was state's attorney in Washington county and later he was secretary of state. He was appointed chairman of the committee to revise the banking laws of Vermont. He was made counsel of the National Life in 1903, was elected vice-president in 1909 and president in 1916. He has been a trustee of Dartmouth for some years.

Homer Jamison, Oklahoma manager for the Equitable Life of New York, who was seriously injured in an automobile wreck, is reported recovering satisfactorily from severe cuts around the head and shoulders.

A. A. Drew, general agent in Chicago for the Mutual Benefit Life, is now established for the summer at his farm near Belgrade, Me.

Silas H. Cornwell, who recently completed 65 years in the service of the Phoenix Mutual Life, is believed to have the longest service record with one company of any life insurance man in the United States.

The late Levi Darbee retired in 1930 after an active service of 65 years, 3 months and 18 days with the New York Life. This record was surpassed by Mr. Cornwell on June 26.

At the age of 16, Mr. Cornwell joined the Phoenix Mutual, being one of its six clerks. In 1876 he was made chief accountant and chief clerk and in 1903 was made assistant secretary and the following year was appointed secretary. He is now vice-president and a director of the Phoenix Mutual, and although he is 81 years old he is still active in the company.

Neil Hathaway, oldest son of **F. C. Hathaway**, manager southern California agency of the Mutual Life of New York at Los Angeles was instantly killed June 29 in the wreckage of his automobile, struck by another car. The driver of the other machine, an oil man, was held on a charge of manslaughter. Neil Hathaway was married and resided in Los Angeles, where he was associated with his father in the agency and was successful as a life underwriter. At the "Fathers and Sons" meeting of the Life Managers' Club of Los Angeles June 26, he was on the program, delivering a talk on "The Present Life Insurance Market."

H. G. Hoffman of Mt. Sterling, Ky., manager of the Minnesota Mutual Life, is in a happy frame of mind due to the advent of H. G. Hoffman, II, the brand new son of T. G. Hoffman, assistant manager. This youngster inaugurates

the fifth generation of Hoffmans that have been engaged in the insurance business in Mt. Sterling since 1847, when the agency was established by William Hoffman.

F. H. Lewis, northern New Jersey general agent for the Massachusetts Mutual Life, sailed this week for an extended trip abroad accompanied by Mrs. Lewis.

C. W. Thompson of Galveston, treasurer of American National of Texas, has been elected to Congress to fill the unexpired term of the late C. S. Briggs.

C. E. Randall, for five years past cashier of the Jackson, Miss., office of the New York Life, committed suicide by shooting himself immediately after leaving his office which had been closed to the public on account of a holiday.

Sheppard Homans, Jr., 22, and his wife, were fished out of the Ohio river by a county river patrol boat when a canoe in which they were riding was swamped by a steamer. Mr. Homans is connected with the Commonwealth Life of Louisville, of which his father I. Smith Homans is vice-president.

Lee B. Scheuer, general agent Pacific Mutual in Detroit for the past seven years, was given a farewell luncheon by the Associated Life General Agents & Managers, of which Mr. Scheuer is a former secretary. He goes to Cincinnati to take over the State Mutual of Worcester general agency.

Col. A. S. Freeman of Freeman & Dillehunt, general agents of the Connecticut Mutual Life at Decatur, Ill., died last week. Colonel Freeman represented the Connecticut Mutual for many years and was noted for his large personal production.

Edwin Baur, manager in St. Louis for the Union Mutual Life of Maine, was some baseball pitcher during his boyhood days at Union, Mo., according to a special write up that appeared in the magazine section of the St. Louis "Globe Democrat." Baur while pitching against an all-star outfit at Clayton, Mo., in 1892 struck out 24 batters and threw out three others at first base on easy taps to the pitcher's box. Only one batter knocked the ball out of the infield and that unexpected drive caught the rightfielder taking a nap and he dropped the ball. Baur was credited with a no-hit game.

A. Hernandez, manager of the Cuba Life, is in this country studying American methods. His company writes industrial business, confining its activities to Havana and adjacent territory, and has built up a good-sized debit since it was organized three years ago. Mr. Hernandez is now in Richmond, Va., studying methods of industrial companies there. He is the guest of C. M. Ortega, president of the company, who divides his time between Richmond and Havana.

H. G. Mosler of Los Angeles, member of the Million Dollar Round Table for past three years, accompanied by Mrs. Mosler and his three daughters, sailed July 1 for New York via Panama. On the return trip they will motor across the continent, stopping a few weeks in Michigan and a few days at the world's fair in Chicago.

The American Life Convention delegation appointed to attend the funeral of **Harry B. Arnold**, president of the Midland Mutual Life was as follows: U. S. Brandt, president Ohio State Life, chairman; D. E. Ball, president Columbus Mutual Life, Clarence Ayres, president American Life of Detroit, Herbert Woolen, president American Central Life,

Claris Adams, executive vice-president, American Life of Detroit, George Steinman, vice-president Midland Mutual Life and Byron K. Elliott, manager American Life Convention.

W. A. Tarver, former Texas life insurance commissioner and past president of the National Association of Insurance Commissioners, has been named general attorney for the federal prohibition enforcement department at Washington.

James J. Doyle, for the past nine years secretary of the Charlotte (N. C.) Association of Life Underwriters, died there of acute leukemia, after an illness of less than two weeks. He went to Charlotte from Roanoke in 1921, and entered life insurance in 1923 as an agent for the Phoenix Mutual, remaining with that company until December, 1930.

when he became manager in Charlotte for the Pan-American Life, which position he held until his death.

C. V. Shepherd, general agent for the National Life of Vermont in Cedar Rapids, Ia., is citing the record of **C. A. Kuttler** as an example to his other agents. Mr. Kuttler joined the agency May 1, 1929, and the past four years has paid for about \$750,000. For the first six months of 1933 his lapse and surrendered business amounts to only \$8,000. Mr. Shepherd expresses the belief that this sets a record for the entire company.

F. H. Haviland, manager for the Connecticut General in Chicago, is in the east where he will visit relatives in Hartford, later going to the home office on business. With him are his wife and baby son.

NEWS OF THE COMPANIES

Get Control of Bank Savings

Mitchell and McCrae Now in Saddle, Former as President — Suit Against Commissioner

J. N. Mitchell of St. Louis and C. E. McCrae of Kansas City, Mo., have concluded a deal for control of the Bank Savings Life of Topeka, Kan. Immediately after the announcement, a suit was filed in the United States district court at Topeka charging that Commissioner Hobbs of Kansas had refused to renew the company's license to do business and that since March 1 he also had "unfairly and unreasonably harassed" the company by frequent and needless examinations.

The Bank Savings was organized in 1908 and started business Jan. 5, 1909, with \$1,000,000 authorized capital, par value of shares being \$100,000. Originally it was known as the Bank Savings National Life. In 1921 it re-insured business of the Bankers Life of Olathe, Kan., taking over about \$2,500,000 insurance. At the close of 1932 the company had \$5,315,422 admitted assets, \$31,920,872 insurance in force, \$200,000 capital and \$127,849 surplus.

Details of the new deal were not made public. The company writes only non-participating business and is licensed in Arkansas, California, Illinois, Kansas, Missouri, New Mexico, Ohio, Pennsylvania, Oklahoma and Texas. It experienced good growth since organization but in common with many other companies had considerable lapsation in 1932, insurance in force dropping from \$40,457,532 at the close of 1931 to \$31,920,872 as of Dec. 31, 1932.

Mr. Mitchell at one time was president of the now defunct Mississippi Valley Life. He also at one time was president and treasurer of the North American Company of St. Louis, holding concern which controlled the Mississippi Valley.

Mr. Mitchell will succeed F. C. Kath as president of the Bank Savings. Col. J. S. Dean, counsel, will continue as chairman of the board. New directors will include Messrs. Mitchell and McCrae, A. O. Runkel of St. Louis and W. L. Cunningham of Arkansas City, Kan. Headquarters will continue in Topeka.

A. I. Haight has been in charge of the company, representing the Topeka banks, which had been left, holding control. A plan of mutualization had been considered after a merger deal with the Federal Reserve Life fell through.

New England Mutual Meeting

The annual agency meeting of the New England Mutual Life will be held at Swampscott, Mass., Sept. 6-8 instead of in Boston at the home office as originally planned.

Union Reserve Life Starts

New Company Established at Phoenix, Arizona, Has as Its Main Factor R. F. Marquis

The Union Reserve Life of Phoenix, Ariz., has established its office in the Ellis building there. This has resulted in the combination of the First National Life of Phoenix and a new company that was being promoted by R. F. Marquis. Mr. Marquis is the main factor in the Union Reserve. He was formerly connected with the Bankers Reserve Life. Later he was assistant general manager and actuary of the Western Union Life and then was actuary, secretary and president of the Northern States Life of Minneapolis. It has assets \$796,242, capital \$100,000, legal reserve \$125,124, insurance in force \$765,000.

To Have a Larger Surplus

Home State Life Reduces Capital to Secure Larger Working Fund for Expansion

The Home State Life of Oklahoma City at a stockholders' meeting by practically a unanimous vote ordered a reduction of the authorized capital from \$750,000 to \$375,000 and a reduction of the par value from \$10 to \$5 per share. The company was organized in 1929 to write industrial and ordinary. It has had a consistent growth, making increase in business in force each year. On Dec. 31, it had insurance in force over \$15,000,000 with assets of approximately \$1,000,000, thus giving it \$4.14 of assets for every \$1 of policyholders' liability. The mortality rate has been favorable, being 32.7 of the expected in 1932.

The company feels that present improved conditions will continue and the additional surplus created through this capital reduction enables it to carry out a general expansion program.

Equitable Life & Casualty's Indiana Business Reinsured

The Indiana business of the defunct Equitable Life & Casualty of Louisville has been reinsured, with the approval of the Marion county superior court, by the recently organized Elkhart National Life of Elkhart, Ind., a stipulated premium company. E. J. Short, secretary of the Elkhart National, states that the Equitable Life & Casualty's business will be merged with that of the Elkhart National and conducted from the home office of the Elkhart National.

The Indiana Equitable Life began

ONCE a man realizes the opportunity offered him in life insurance work, he enjoys a business philosophy to be found in few other occupations.

There is no limit placed upon his output and he has the added satisfaction of knowing that he is helping other men to help themselves.



METROPOLITAN LIFE INSURANCE COMPANY

Frederick H. Ecker, President

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Outstanding
by any
STANDARD
of
COMPARISON

EQUITABLE LIFE
INSURANCE COMPANY
OF OKLAHOMA

An LNL policy means

The Lincoln National Life Insurance Company Fort Wayne, Indiana.

Service and Satisfaction

Y M M N O Y W E R E A M O R G A N I Z E D

business in 1921 as an assessment company but charged legal reserve rates and began to build up a legal reserve so that it later could go on a legal reserve basis without disturbing its business. Something over a year ago it got into difficulties and was reinsured by the Equitable Life & Casualty of Louisville, which, in turn, got into difficulties this year and Hamilton & Ketterer were appointed receivers, the company owing Hamilton some \$500 inspection fees.

Within the past week, the Equitable Life & Casualty was sold out at auction. The Elkhart National Life bought the Indiana business and the Federal Union Life of Cincinnati bought the balance of the outstanding insurance. The transaction with the Elkhart National involved as consideration payment of \$1 by each party to the other. The legal reserve that the Indiana Equitable had started to build was eaten up by a 100 percent lien and now the old policyholders of the Indiana Equitable are on the same footing as the policyholders of the Elkhart National—on a purely mutual basis and without their once legal reserve cushion.

Start Year's Jubilee Campaign

The Business Men's Assurance will celebrate its 25th anniversary of its founding on July 1, 1934, with a jubilee at the home office. Announcements in silver have gone to salesmen, notifying them of the jubilee and announcing the year's campaign in which to qualify for attendance.

Court Rules Against Bankers

OKLAHOMA CITY, July 6.—The county district court here has denied the Bankers Union Life of Denver a writ to compel Commissioner Read to license it in Oklahoma. The commissioner based his refusal on the ground that the stock of the company is held by the Bankers' Union, a holding company.

Form New Missouri Company

A Missouri charter has been issued to the newly organized General American Life of Carthage, Mo. It is to have \$500,000 capital. Incorporators include Representative A. L. McCawley, H. C. Gockel, F. M. Rude, M. A. Collard, L. Hoagland, F. M. Ridenour and Adolph

McGee, all of Carthage; P. M. Gevitt, R. C. Luly and H. L. Luly, Alton, Ill.; C. H. Blomberg, C. W. Crawford and L. D. Stephens, St. Louis.

Felix Named Secretary

Curt Felix, who has been connected with the Mutual Life of New York for 44 years, has been made secretary to succeed the late W. L. Simrell. Previously he had been assistant registrar.

Central States Statement

The statement of the Central States Life of St. Louis following the consolidation of the American National of St. Louis with it shows assets \$21,369,996 of which \$8,641,468 are mortgage loans \$4,867,378 real estate, \$318,702 government and other bonds, \$1,312,571 apartment holding corporation stock, \$5,004,285 policy loans, \$156,802 cash. The capital is \$400,000, the contingency funds are \$760,523 and net surplus \$493,761.

Missouri State Examination

The convention examination of the Missouri State Life is being brought down to June 30. The states conducting it desired to make it comprehensive.

Name Missouri Receivers

KANSAS CITY, MO., July 6.—R. G. Barnett, Kansas City lawyer, and L. A. Andrew of Des Moines have been named by Judge Otis as ancillary receivers for the property in western Missouri of the Royal Union Life. J. F. O'Sullivan was appointed attorney for the receivers.

New Mutual Benefit Concern

The Mutual Protective Association is the name of a new mutual benefit concern which has just started operations in the Commercial National Bank building, Peoria, Ill. Ray L. Scott is president and organizer. For 13 years he was connected with the Mutual Benefit and United Benefit Life of Omaha as manager at various points throughout the country. The association features a family policy, undertaking to pay \$200 on the death of any adult, \$100 for the death of any child between 6 and 16 and \$50 for any infant between two months and five years.

LIFE AGENCY CHANGES

Named Dallas General Agent

E. F. White of Fort Worth Takes Charge of North Texas for Connecticut Mutual Life

E. F. White has been appointed general agent of the Connecticut Mutual Life for north Texas with office at 1006 Republic Bank Building, Dallas. He has for several years been manager of the life department of Mitchell, Gartner & Walton, one of the largest general insurance agencies at Fort Worth, Tex., which represents the Columbus Mutual Life. For two years Mr. White was the leading producer and also the leading general agent for that company.

He is a native of Mississippi and a graduate of the Mississippi A. & M. College, but has been a resident of Texas for 15 years. His first life insurance connection was with the W. G. Harris agency of the Aetna Life in Dallas, of which he became assistant general agent after two years. Later he became vice-president and agency manager of the Fidelity Union Life of Dallas, leaving that post to go to the Mitchell, Gartner & Walton agency.

C. B. Peterson will be Dallas supervisor.

Walter Schulte, district manager Mutual Life of New York at Burlington, Ia., was married to Miss Gladys Thornber.

Root Assigned to Pittsburgh

Assistant Agency Superintendent of Bankers of Iowa Succeeds J. R. Anderson in New Connection

Paul W. Root, assistant superintendent of agencies of the Bankers Life of Iowa for the past six years, has been appointed agency manager of that company at Pittsburgh, succeeding J. R. Anderson, resigned. The change is effective July 16.

Mr. Root joined the company in 1921 as a member of the San Antonio agency of Cherry & Cherry. The following year he was a half million dollar producer, and a member of the President's Club of that year. Later he was with the Dallas agency. In 1924 he was appointed regional sales manager, and a few years later became assistant superintendent of agencies.

Lincoln National Names Wood

Prominent Chicago Agency Manager Is Appointed There in Further Development of Territory

F. J. Wood has been appointed general agent by the Lincoln National in Chicago, and is opening offices in One North LaSalle street. The Lincoln Na-

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For 12 years he has been associated



FREEMAN J. WOOD

with the National Life of U. S. A. as agency manager, general agent, and home office agency supervisor. He was general agent for that company in South Dakota from 1921 to 1926, when he was transferred to Minneapolis in charge of southern Minnesota and South Dakota. In 1927, he was transferred to the home office and operated throughout the United States as agency supervisor until 1930, when he was appointed agency manager in Chicago.

Mr. Wood developed the company's largest agency and his organization has led the entire field in production for some time.

He was born and educated in Minnesota, and commenced life insurance work while attending college. He gained prominence at the age of 20 when he wrote and paid for 221 applications for \$686,000 in six months, and again when he was appointed state manager at the age of 21.

M. C. Goldstein

M. C. Goldstein has been promoted to Mississippi manager of the Acacia Mutual Life with headquarters at Meridian. Mr. Goldstein has been an agent at Greenville for a year.

Western & Southern Changes

J. M. Moore, formerly superintendent at East St. Louis for the Western & Southern, has been made manager at Peoria succeeding J. H. Hollman, who goes to East St. Louis as manager, succeeding R. J. Mann, who has been made Canton, O., manager.

Burkhart & Moore

Burkhart & Moore, a new firm, have been appointed general agents of the Lincoln National Life for Indianapolis with offices at 914 Continental Bank building. F. M. Moore had been for four years with the New York Life and J. B. Burkhart had been with the same company for a year and a half.

S. A. Manchester

S. A. Manchester, formerly connected with the Guardian Life agency in New York City, has been appointed manager of the Hartford office. He took charge there this week.

Paul W. Root

Paul W. Root, for the last 16 years assistant superintendent of agencies of the Bankers Life of Iowa, will become agency manager at Pittsburgh, Pa.

Lee B. Scheuer

Lee B. Scheuer, general agent of the Pacific Mutual in Detroit for seven years, has resigned to become general agent of the State Mutual Life in Cincinnati. He

was general agent for the Pacific Mutual in Cincinnati from 1920 until 1926, when he went to Detroit. He has served as secretary-treasurer of the Associated Life General Agents & Managers of Detroit.

Born in Georgia, Mr. Scheuer received his schooling in Cincinnati. After his graduation from the University of Cincinnati, where he studied engineering, he became associated with the Burroughs Adding Machine Company and remained there four years preceding the war. Following the war, Mr. Scheuer returned for a short while to the Burroughs company, and in 1920 became an agent for the Pacific Mutual Life in Cincinnati. He has been president of the Association of General Agents & Managers of the Pacific Mutual Life.

F. W. Cleary

F. W. Cleary, for the past year agency manager at Los Angeles for the New World Life, has been appointed assistant general agent at San Francisco for the Lincoln National Life.

Colonial Life Promotions

The Colonial Life has promoted a number of fieldmen to assistant managers: L. N. Cohen, at Bay Ridge, N. Y.; J. F. Gaffney, Newburgh, N. Y.; A. A. Kleckner, Irvington, N. J.; Carl Harper,

Long Island City, N. Y.; D. J. Fey, Jamaica, N. Y.; Philip Brumbough, Greensburg, Pa.; Dewey Goldman, Jersey City, N. J.

O. H. Miller

O. H. Miller has been appointed general agent of the Columbian National Life in Cleveland, having resigned from the Continental Assurance. Offices are in 688 Union Trust building. The agency held a luncheon meeting, the principal speaker being J. T. O'Brien, Jr., superintendent of agencies Columbian National. He stressed the business revival and expressed an optimistic attitude. Mr. Miller has been in the insurance business for many years.

E. A. Marthens

H. B. Nelles, southern California manager of the ordinary department of the Prudential, announces that E. A. Marthens has been appointed assistant manager of the agency. Mr. Marthens has spent his business life in life insurance. For seven years he was agency supervisor for the W. J. Fisher agency of the Northwestern Mutual at St. Louis. He then joined the home office organization of the Great Northern Life and was elected vice-president, remaining from 1916 to 1932; was president of the Milwaukee Life Underwriters' Association

in 1920 and 1921, and also president of the Wisconsin Insurance Federation in 1922 and 1923.

H. J. Nickelson

H. L. Nickelson has been appointed assistant manager of the K. M. Sacks agency of the Equitable of New York in Chicago. He entered life insurance in the agency May 30, 1932, and had a successful production record. He formerly was in the bond business, being assistant sales manager of De Woolf & Co., investment house there, and later sales manager for J. A. Minnear & Co. in Michigan.

Agency Notes

J. D. Starnes, Jr., who has been with the Southland Life for several years, has been appointed district manager for the Great American Life of San Antonio at Austin.

Wilson Monroe of Glasgow, Ky., is named district agent for the George Washington Life. He will have his headquarters at Burkesville, Ky. He until recently was connected with a large agency in Louisville.

Iowa agency changes in the Equitable of New York include the transfer of R. B. Allen, field assistant, at Cedar Rapids, to district manager, with headquarters at Waterloo; C. W. Cottingham, Des Moines agency supervisor, to be district office manager at Cedar Rapids.

Building a . . . Permanent Clientele

The Professional Aspect

"WE HAVE heard a great deal in the last few years about Life Insurance being a profession. So long as life insurance men are wandering around aimlessly, seeing people once, and then forgetting them, the business can have little professional aspect. Contrast that with the intelligent servicing of a group of people by one man. This brings the professional element definitely into the picture and puts you in the same class with the doctor or the lawyer, and how much more pleasant and agreeable this servicing and selling of a group of proven friends and associates is than the heart-breaking task of always attempting to crash in on strangers."

—From "BUILDING A PERMANENT CLIENTELE," a Home Life brochure

* * *

The Home Life has definitely set up just such a program of "Client Building" and has a complete kit of client building aids for Agents and General Agents.

On Agency Matters Address
Cecil C. Fulton, Jr.,
Superintendent of Agencies

HOME LIFE INSURANCE COMPANY
256 Broadway, New York

ETHELBERT IDE LOW, Chairman of the Board JAMES A. FULTON, President

Opportunity—Now!

SUCCESS is born in the time of adversity—a maxim of age-old wisdom—often proved in business.

A new generation of outstanding Life Insurance Representatives will begin their careers on the road to Success in 1933.

Those who know where they want to go—who have the nerve to begin now—who have the stamina to go through to the inevitable upswing in business—are made of the stuff that commands Success.

This time-tried, progressive Company offers Opportunity and Cooperation to qualified men and women who are sincerely interested in a career of worth-while service, and will work for Success. "Ten Minutes with Your Future" tells the story.

THE STATE LIFE INSURANCE COMPANY *Indianapolis Indiana*

THIRTY-NINTH YEAR

SOUTHLAND'S AGENCY COMMITTEE . . . Meets Every Morning

... and one man doesn't do all the work, either! Contrary to custom, Southland believes that the company's most important activity is in the agency end of the business. Sales problems are analyzed . . . new solicitations developed . . . and everybody from the president on down pitches in and helps.

Maybe you would like to be a Southland agent, and receive that kind of support? Write Clarence E. Linz, 1st vice president; or Col. Wm. E. Talbot, Agency Manager.

**Southland Life
Insurance Company**
HARRY L. SEAY, President
HOME OFFICE DALLAS, TEXAS



NEWS OF LIFE ASSOCIATIONS

New Organization in Detroit

Form Qualified Life Underwriters to Co-ordinate Associations' Work—
Macauley First President

The new organization linking all phases of life insurance selling work in the Detroit area under one coordinated head, known as the Qualified Life Underwriters, began operations July 1 with headquarters at 1309 First National Bank building. This binds together the Associated Life General Agents & Managers, the Life Underwriters Association and the Detroit Life Insurance Supervisors Association, although each will continue a separate entity under its officers and directors. The organization was perfected after two years' work by a committee of life men headed by H. E. VandeWalker, Michigan supervisor American Life.

Macauley Elected President

C. A. Macauley, general agent John Hancock, was elected president; F. J. Little, Massachusetts Mutual, first vice-president; R. T. Smith, manager Travelers, second vice-president; H. B. Knaggs, New England Mutual, third vice-president; C. F. Hibbard, Jr., Northwestern Mutual, secretary, and R. E. Stringer, State Mutual, treasurer.

C. F. Criswell, former executive secretary of the Chicago and Cleveland associations, has been engaged as a full-time executive secretary for the Qualified Life Underwriters. Mr. Criswell has been in Detroit since February promoting the new organization. Mr. Criswell formerly was connected with the United States Life in agency organization work, and before that was secretary of the Chicago Association of Life Underwriters and, prior to that, of the Cleveland association.

Make-up of Directorate

Directors comprise the officers and A. P. Steler, Mutual Benefit; J. C. Hickey, Equitable of New York; F. L. Klingbeil, manager Prudential ordinary office; T. F. O'Keefe, general agent Connecticut General; J. C. Caperton, manager Phoenix Mutual; H. A. Carr, Home; D. T. MacKinnon, Provident Mutual; J. T. Peterson, Berkshire, and H. E. VandeWalker, American.

The association is set up in three divisions: field men's, agencies' and supervisors'.

Active membership is confined to managers, general agents, supervisors and underwriters who have been in the business at least a year and produced a minimum of \$60,000 on at least five lives in any one company during the preceding year. Associate membership includes agents in the business less than a year and those producing less than the minimum of business or lives, press representatives and others acceptable to the board.

Provision is made so that membership on the board is equally divided between managers or general agents and supervisors or underwriters. Each board member must represent a different company.

* * *

Montgomery, Ala.—The Montgomery association has chosen Felix Shank of the Penn Mutual as the delegate to attend the convention of the National association in Chicago. An interesting feature of the meeting was an exemplification of modern insurance salesmanship presented by Mr. Shank and Will Elberry. Another was a slide lecture by G. W. Chapman on planned work.

* * *

Iowa—Iowa is one of 10 states showing a membership increase over 1932 in the campaign during May sponsored by the National association. Under the leadership of M. L. Seltzer, general agent Aetna Life membership was increased from 455 to 478. Cedar Rapids increased from 33 to 72 members; Sioux City, 35 to 62.

Use Organized Sales Plans

Excellent Suggestions Were Made at a Meeting of the San Francisco Association

Life agents who use organized sales plans are less subject to the caprices of general business, W. R. Spinney, general agent of the Franklin Life, told members of the San Francisco Life Underwriters Association. He presented facts and figures to prove the efficacy of the organized sales plan and outlined a number of those which he successfully uses. He told of his conversion to the idea of the organized presentation and pointed out to older agents who might view the plan as "canned sales talks" that whatever they might think regarding the use of such plans is of no importance when what they think is not in accordance with the facts, pointing to the facts concerning the use of such plans.

Fitzgerald on Modern Methods

James Fitzgerald of San Jose, leading producer of the Fidelity Mutual Life, in a discussion of "Present Day Selling Methods Which Work for Me," told of his complete change of mental attitude and the results, pointing out, however, that proper mental attitude must be backed by a firm conviction of the worth and necessity for life insurance. He urged his audience to see that their life insurance estate was in order, because, he said, unless they were absolutely sold on the outstanding worth of what they were selling, they could not successfully present it to their prospects. Do not use the argument to yourselves that you cannot pay for more insurance on your own life, he said, pointing out that this is the argument and sales resistance that is met every day in the prospect and if the agent could not overcome that argument in himself, he most certainly could not overcome it in others. "Increase your production sufficiently," he said, "that you can carry more life insurance on your own life. Sell at least \$5,000 additional each month to take care of it."

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Cleveland—Dr. S. S. Huebner, American College of Life Underwriters, held C. L. U. conferences and spoke at an association meeting in the afternoon and at a C. L. U. dinner.

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Northeastern Wisconsin—The June meeting was held at Green Bay, Wis. Michael Kley of the Metropolitan Life welfare department spoke on "The People and the Community."

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Milwaukee—Dr. S. S. Huebner, American College of Life Underwriters, spoke at the meeting this week.

* * *

Canton, O.—New officers are: President, N. J. Tschanz; vice-president, L. K. Weaver, Equitable of Iowa; secretary, C. E. Bidwell; executive committee, J. M. Ater, John Hancock Mutual; W. F. Baehrens, Connecticut General; T. F. Staudt, Royal Union, and J. W. Weaver.

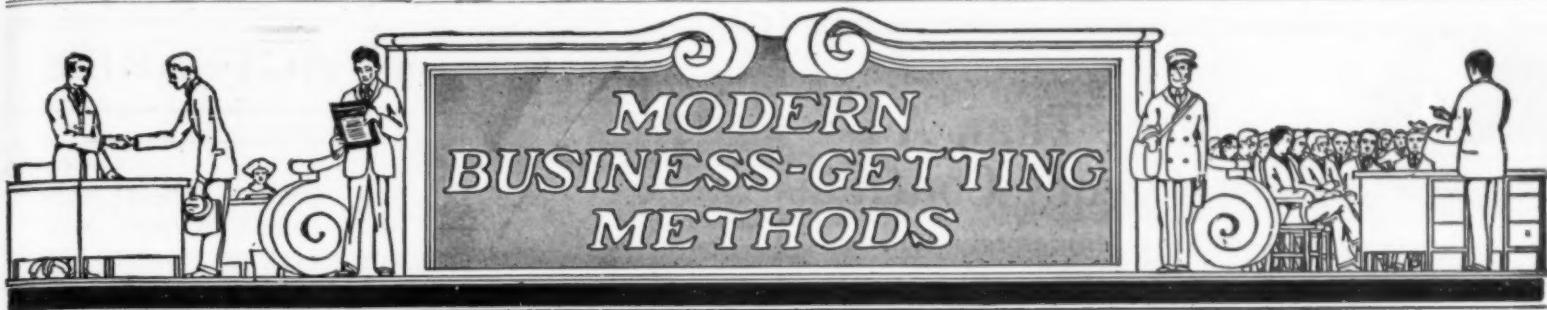
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Vermont—The Vermont state association has elected E. W. Enman of St. Johnsbury as president; W. R. Bliss of Burlington as vice-president, and A. R. Mills of St. Johnsbury as secretary-treasurer.

* * *

Gumm on Western Trip

Karl G. Gumm, assistant superintendent of agencies of the National Life of Vermont, is making a western agency inspection tour which will take him as far as the Pacific Coast before his return to Montpelier in October. His itinerary includes Minneapolis, St. Paul, Milwaukee, Cedar Rapids, Bloomington, Cincinnati, Indianapolis, St. Louis, Kansas City, Denver, Salt Lake City, Los Angeles, San Francisco, Portland and Seattle.



More C. L. U. Quiz Questions

Herewith are C. L. U. examination questions continued from last week's issue.

(e) SOCIOLOGY

Continuation Part III

(Answer any three questions)

1. In recent months there has been much discussion of the possibility of controlled inflation as a method of initiating economic recovery. Explain the immediate and the ultimate influences which a policy of sustained inflation would have upon the standard of living:

- (1) Industrial wage earners.
- (2) Retail merchants.
- (3) Life underwriters, and
- (4) Beneficiaries dependent upon the proceeds of life insurance policies.

2. (a) Do you consider the workmen's compensation system an adequate solution to the problem of disability dependency? Give all reasons for your decision.

(b) Can the problem of old age dependency be met by (1) industrial life insurance, and (2) group life insurance? Explain.

* * *

3. Legislation restricting or prohibiting the passage into interstate commerce of goods produced in plants employing laborers for more than thirty hours per week has been considered as

one economic measure by the federal government. Discuss the social effects and implications of such a measure.

4. During the business depression a greater proportion of our social problems have been those resulting from lack of adequate income. The method of meeting the problems has been largely that of alleviation of need through the provision of small weekly sums to those affected.

(a) Do you consider this to be a satisfactory immediate solution? Why?

(b) Do you consider it to be a satisfactory permanent solution? Why?

Part IV

Commercial and Insurance Law

(To Be Completed in Four Hours)

(Applicants taking this examination, who in previous years have successfully completed Part III of the C.L.U. examinations, will answer questions 1-10 inclusive and disregard questions 11 and 12. All other candidates will answer questions 1-8 and 11-12, disregarding questions 9 and 10)

Note: The problems in this examination are based upon actual court cases and are designed to test a candidate's knowledge of essential principles of commercial and insurance law. Emphasis in grading will be placed upon the reasoning.

1. (a) What are the essential ele-

ments of a valid contract of life insurance from its contractual aspect?

(b) The insured dies in the 6th year of a policy. The contract contains a 2-year contestable clause. The company refuses to pay on the ground that the contract when issued was a gambling or wagering agreement and was not supported by a valid insurable interest. Decide and discuss.

2. (a) Define insurable interest as it exists in life insurance.

(b) What are the rights of a revocable beneficiary in a policy of life insurance during the lifetime of the insured?

(c) Under what circumstances does the trustee in bankruptcy have a right in the bankrupt's policies of life insurance?

3. (a) What is a negotiable instrument?

(b) Who is a holder in due course?

(c) Explain briefly the meaning of the following terms and expressions:

- (1) Indorser.
- (2) Protest.
- (3) Accommodation maker.
- (4) Without recourse.
- (5) Certified check.

4. (a) Define a partnership.

(b) What authority does a partner have as an agent of his firm?

(c) What authority does the executor of a deceased partner's estate have in the management of firm affairs, including the liquidation of the partnership?

5. (a) What is a will?

(b) How does it differ from a contract and a gift?

(c) Distinguish between an executor and an administrator.

(d) What are the duties and responsibilities of each?

6. (a) What is the legal jurisdiction of the federal government and the state government over the business of life insurance? Discuss fully.

(b) What is the legal theory underlying the anti-rebate laws of the states?

7. "A," "B," "C" and "D" are business associates and have purchased business life insurance to liquidate the interest of the estate of the first decedent in the business.

In the business life insurance trust agreement to be created, you are consulted as to whether the estate or beneficiary of the first decedent is to receive not only the policy proceeds but also reimbursement of premiums paid by him on the policies of the survivors. What advice would you give; what procedure would you recommend?

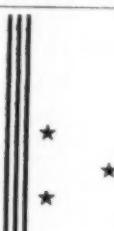
Give reasons in full.

(Other questions will appear next week.)

Rainey Acting Manager

John T. Rainey, cashier of the Missouri State Life's San Francisco office, has been appointed acting manager until a successor is appointed to H. V. Montgomery, who recently resigned to go with the State Mutual Life.

Character



The attitude of the insuring public toward the life insurance business and life insurance companies depends almost wholly upon the character and the behavior of those whose privilege it is to represent the companies before the public.

No agent should attempt to induce an individual who is already insured—whether with his own company, or some other company, or the Government—to give up any policy he may have, in favor of another with his company. No verbal or written statements attacking other companies, their policies, or their agents, should be made. Selection of coverage to be presented should rest solely upon supreme need—not upon commission to be earned.

Honesty, straightforward sales methods, strict adherence to promises, conscientious and intelligent service, good character, industry, loyalty to self, client, and company—all these are the requisites that go to make up the desirable agent and that are essential to the preservation of the good name of the institution of life insurance.

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**UNITED LIFE
and ACCIDENT
INSURANCE COMPANY**
United Life Bldg., Concord, New Hampshire

Expected Upturn Eases Selection

(CONTINUED FROM PAGE 1)

erally, since they had no control over the dropping of the old insurance after the new coverage had been issued.

While the present requirements automatically demand electrocardiograms and chest x-rays where the total being applied for is \$100,000 or more and will bring the total in force to \$300,000 or more, it is likely that the special examinations would be asked for on an application of \$100,000 or over, no matter what it would bring the total in force to, as anyone who would apply for \$100,000 or more of life insurance would provoke suspicion as to his reason for loading up.

Because of the public's increased knowledge of methods for simulating accidental deaths and because of juries' habit of deciding doubtful cases against the company, underwriters are continuing to watch double indemnity applications for any suspicious signs.

The mounting loss ratio from double indemnity in certain sections of the country is generally due to cases suspected of being suicides. Underwriters look askance at an applicant who has in force or is applying for insurance with an abnormal ratio of double indemnity. Applications for business insurance with double indemnity are not looked upon favorably by underwriters, as there is usually no good reason why the business will be hurt more by an executive being killed accidentally than by his dying naturally.

Some companies have gone so far in their underwriting of double indemnity as to give it the same weight as a like amount of life insurance, and some will refuse to accept a risk for life insurance only, where they feel the applicant is loading up on double indemnity.

Charge Insurance Written in Non-Existent Company

Charges have been preferred by the North Carolina insurance department against seven Durham, N. C., insurance agents for the alleged operation of a non-existent life company. The department stated that the defendants collected weekly premiums, mostly from Negroes, and promised to pay death benefits from \$80 to \$200. They represented themselves as agents of the Raleigh Benefit Agency. After several deaths among those insured it was found that the agency did not exist.

Form Protective Association

Industrial Agents Association, Inc., New York City, has been chartered by the secretary of state as a membership corporation without capital stock. The objects are to organize industrial insurance agents for mutual benefit, protection and advancement. Incorporators are Charles Carmine, Nathan Siegel, Maurice Gershelin, Robert Davolio, C. A. Cooper, Robert Lewis, Harry Lewis, John Wilson, Vincent Gibbons, Samuel Harrison, all of New York City.

It is said that organization of the association has some connection with a bill introduced in the legislature to amend insurance law to provide that no life company could charge an agent with a decrease or make deduction from commission or salary on any industrial life policy upon which premiums were paid for five years or more and then surrendered for cash, paid up or extended insurance, or lapsed for non-payment of premiums. The bill died in committee.

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